



EMERGENCY SOLUTIONS GRANT

POLICY AND PROCEDURE MANUAL

**STATE COMMUNITY SERVICES OFFICE
HOUSING AND COMMUNITY DEVELOPMENT DIVISION
DEPARTMENT OF WORKFORCE SERVICES**

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ESG Policy and Procedure Manual

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Recommended Forms on SCSO website: <http://housing.utah.gov/scso/esg/index.html>

General:

- At Risk of Homelessness Certification
- Fleeing/Attempting To Flee DV Certification
- Homeless Certification, Category 1
- Homeless Certification, Category 1,2,3
- Household Re-evaluation Certification
- Oral Verification of Housing Loss Within 14 Days Certification
- Self-Declaration of Housing - RRH
- Self-Declaration of Housing – HP & RRH
- Staff Certification of Eligibility
- Rent Reasonableness and Fair Market Rent Worksheet
- Rental Assistance Agreement *Suggestions* (Service Provider/Landlord)

Income:

- Self-Declaration of Income
- Verification of Income

Housing Standards:

- Housing Habitability Standards Inspection Checklist
- Understanding the Lead-Based Paint Regulations
- Lead Screening Worksheet
- Instructions for Property Owners with Tenants Receiving ESG – LBP
- Lead-Based Paint Property Owner Certification Form
- Lead-Based Paint Disclosure Form for Residents Receiving ESG
- Lead-Based Paint Document Checklist

SECTION 1: GENERAL INFORMATION

A. PURPOSE OF POLICY AND PROCEDURE MANUAL

This document is designed to assist with implementing the Emergency Solutions Grant (ESG), which replaces the Emergency Shelter Grant program. It contains required program and administrative policies and procedures and is to be used as a reference for all agencies responsible for the administration of ESG initiatives and funds. It is the responsibility of all agencies to disseminate pertinent information and ensure that their staff and partner agencies are aware of, understand and comply with policies and procedures of the ESG program.

This manual does not replace the provisions contained in the Department of Housing and Urban Development 24 CFR Parts 576 and 91, Docket No. FR-5474-I-01, Homeless Emergency Assistance and Rapid Transition to Housing: Emergency Solutions Grants Program and Consolidated Plan Conforming Amendments. Nor does it replace any other applicable Federal, State and local laws, or ordinances and regulations pertaining to the ESG. Its purpose is to highlight and emphasize grant requirements. Subrecipients must always refer to the HUD ESG regulations for more in-depth and updated information:

- HUD Homeless Resource Exchange link: www.HUDHRE.Info/
- 24 CFR Parts 91 and 576 link: www.ecfr.gov
 - Select link: “e-CFR is current as of....” (or link that indicates current data)
 - Select “Browse” on left side of page
 - Mid-page, “Browse” section, select “Title 24 – Housing and Urban Development”, then press “Go”
 - Under “Browse Parts” choose either “0-99” for CFR Part 91 or “500-599” for CFR 576

The ESG is administered by the State Community Services Office (SCSO), Housing and Community Development Division, Department of Workforce Services.

All subrecipients are required to have in place an agency ESG Policy and Procedure Manual that includes the current policies and procedures of HUD, SCSO, as well as any subrecipient-specific requirements. (See Section 16: Other Program Requirements, B. Policy and Procedure Manual (Written Standards)).

All subrecipients will serve the identified population and provide the financial assistance and/or stabilization services as stated in the Scope of Work found in each of their ESG contracts.

B. PROGRAM DESCRIPTION

The ESG program is designed to identify sheltered and unsheltered homeless persons, as well as those at risk of homelessness and provide the services necessary to help those persons quickly regain stability in permanent housing after experiencing a housing crisis and/or homelessness. It will provide temporary financial assistance and housing relocation and stabilization services to individuals and families who are homeless or would be homeless *but for* this assistance.

The ESG program builds upon the previous Emergency Shelter Grants program, but places greater emphasis on helping people quickly regain stability in permanent housing after experiencing a housing crisis and/or homelessness. The new regulations add rapid re-housing and more robust prevention to the traditional shelter and prevention activities. In essence, the new ESG program is a combination of the Emergency Shelter Grant program and the Homelessness Prevention and Rapid Re-housing Program (HPRP). The changes are a result of the enactment of the Homeless Emergency Assistance and Rapid Transition to Housing (HEARTH) Act.

The new ESG program offers a great opportunity to improve homeless assistance, continuing some of the successful initiatives funded by HPRP and also developing community-wide rapid re-housing strategies. At the same time, the new ESG program comes at a time of great fiscal challenges for federal, state, and local governments. To have a meaningful impact on homelessness, the new ESG program must be implemented carefully.

C. ELIGIBLE COMPONENTS and ACTIVITIES

1. According to the subrecipient Contract Scope of Work, ESG funds are to be used for:
 - Street outreach
 - Emergency shelter
 - Homelessness prevention
 - Rapid re-housing assistance
 - Data Collection - Homeless Management Information System (HMIS)
 - Administration costs
2. The total amount of the recipient's fiscal year grant that may be used for street outreach and emergency shelter activities cannot exceed the greater of:
 - 60 percent of the recipient's fiscal year grant; or
 - The amount of Fiscal Year 2010 grant funds committed for homeless assistance activities
3. The total amount of ESG funds that may be used for administrative activities cannot exceed 7.5 percent of the recipient's fiscal year grant.
4. **Overhead Costs:** Employee compensation and other overhead costs directly related to delivering street outreach, emergency shelter, homelessness prevention, rapid re-housing, and HMIS are eligible costs of those program components.

D. SERVICE DESIGN AND DELIVERY TIPS

- The evidence for the effectiveness of rapid re-housing is strong and, therefore, rapid re-housing should be prioritized.
- Prevention and re-housing resources will be most effective when they are targeted directly to resolving a particular household's specific barriers to getting or keeping housing.
- These resources work for people with many barriers to housing stability. Concerns about tenants being able to sustain their housing should be addressed through program design rather than by screening people out of assistance. Design flexible program services that can vary in type, level, and duration based on need.
- "Just enough" – households should receive the minimum amount of assistance necessary to resolve the immediate crisis and prevent its near-term recurrence. Small amounts of assistance can be extremely effective. It is better to stretch resources by providing small amounts of assistance to more people.
- Linkage to mainstream resources is critical to some households' ability to achieve housing stability and maximizes ESG resources.
- Coordination with community-based and mainstream services makes existing services more accessible and effective while avoiding duplication. Establish strong relationships with:
 - Public assistance agencies
 - Local housing authority
 - Local landlords, landlord networks
 - VA service coordinators
 - Other veteran's service organizations
 - Other homelessness prevention providers
- Train staff on other community-based and mainstream resources to ensure client's needs are met post-ESG.

- Successful prevention and rapid re-housing assistance programs rely on a community-wide performance and outcome measurement process.
- Be clear about what ESG can do and what it cannot do – with both staff and participants.
- Use client assessment to identify system gaps.
- Conduct routine staff training and supervision.

SECTION 2: DEFINITIONS

HOMELESSNESS - AT RISK OF HOMELESSNESS – CHRONIC HOMELESS

A. **HOMELESS – DEFINITION** § 576.2

Category 1 – Literal Homeless:

Individual or family who lacks a fixed, regular, and adequate nighttime residence, meaning:

- i. Has a primary nighttime residence that is a public or private place not meant for human habitation (car, park, abandoned building, bus or train station, airport, camp ground); or
- ii. Is living in a publicly or privately operated shelter designated to provide temporary living arrangements (including congregate shelters, transitional housing, and hotels and motels paid for by charitable organizations or by federal, state and local government programs); or
- iii. Is exiting an institution where (s)he has resided for *90 days or less* **and** who resided in an emergency shelter or place not meant for human habitation immediately before entering that institution

Category 2 – Imminent Risk of Homelessness:

Individual or family who will imminently lose their primary nighttime residence, provided that:

- i. Residence will be lost within 14 days of the date of application for homeless assistance; AND
- ii. No subsequent residence has been identified; AND
- iii. The individual or family lacks the resources or support networks needed to obtain other permanent housing

Category 3 – Homeless under other Federal statutes:

Unaccompanied youth under 25 years of age, or families with children and youth, who do not otherwise qualify as homeless under this definition, but who:

- i. Are defined as homeless under the other listed federal statutes (see C. below), AND
- ii. Have not had a lease, ownership interest, or occupancy agreement in permanent housing during the 60 days prior to the homeless assistance application; AND
- iii. Have experienced persistent instability as measured by two moves or more during the preceding 60 days of application; AND
- iv. Can be expected to continue in such status for an extended period of time due to special needs or barriers of:
 - a) chronic disabilities, or
 - b) chronic physical health or mental health conditions, or
 - c) substance addiction, or
 - d) histories of domestic violence or childhood abuse (including neglect), or
 - e) the presence of a child or youth with a disability, or
 - f) two or more barriers to employment, which include the lack of a high school degree or General Education Development (GED), illiteracy, low English proficiency, a history of incarceration or detention for criminal activity, and a history of unstable employment.

Category 4 – Fleeing/Attempting to Flee DV:

Any individual or family who:

- i. Is fleeing, or is attempting to flee, domestic violence, dating violence, sexual assault, stalking, or other dangerous or life-threatening conditions that relate to violence against the individual or a family member, including a child, that has either taken place within the individual's or family's primary nighttime residence or has made the individual or family afraid to return to their primary nighttime residence; AND
- ii. Has no other residence; AND
- iii. Lacks the resources or support networks *e.g.*, family, friends, faith-based or other social networks, to obtain other permanent housing

B. AT RISK OF HOMELESS – DEFINITION § 576.2

Category 1 – Individuals and Families:

An individual or family who:

- i. Has an annual income below 30% of area median family income for the area; AND
- ii. Does not have sufficient resources or support networks immediately available to prevent them from moving to an emergency shelter or another place defined in Category 1 of the “homeless” definition; AND
- iii. Meets at least one of the following 7 conditions:
 - a) Has moved because of economic reasons 2 or more times during the 60 days immediately preceding the application for assistance
 - b) Is living in the home of another because of economic hardship
 - c) Has been notified that their right to occupy their current housing or living situation will be terminated within 21 days after the date of application for assistance
 - d) Lives in a hotel or motel and the cost is not paid for by charitable organizations or by Federal, State, or local government programs for low-income individuals
 - e) Lives in an SRO or efficiency apartment unit in which there reside more than 2 persons or lives in a larger housing unit in which there reside more than one and a half persons per room
 - f) Is exiting a publicly funded institution or system of care (such as a health-care facility, a mental health facility, foster care or other youth facility, or correction program or institution)
 - g) Otherwise lives in housing that has characteristics associated with instability and an increased risk of homelessness, as identified in the subrecipients approved Con Plan

Category 2 - Unaccompanied Children and Youth:

A child or youth who does not qualify as homeless under the homeless definition, but qualifies as homeless under another Federal statute (see C. below).

Category 3 - Families with Children and Youth:

An unaccompanied youth who does not qualify as homeless under the homeless definition, but qualifies as homeless under section 725(2) of the McKinney-Vento Homeless Assistance Act, and the parent(s) or guardian(s) of that child or youth if living with him or her.

- i. Section 725(2): Children and youth who have a primary nighttime residence that is a public or private place not designed for or ordinarily used as a regular sleeping accommodation for human beings.

C. HOMELESS UNDER ANOTHER FEDERAL STATUTE DEFINITION

Runaway and Homeless Youth Act (42 U.S.C. 5732a(3)): The term "homeless youth" means an individual:

1. Who is:
 - not more than 21 years of age, or, in the case of a youth seeking shelter in a center, not more than 18 years of age; AND
 - for the purposes of item 2. (below), is not less than 16 years of age; AND
2. for whom it is not possible to live in a safe environment with a relative; AND
3. who has no other safe alternative living arrangement

Head Start Act (42 U.S.C. 9832(11)): The term "homeless children and youths" means:

1. Individuals who lack a fixed, regular, and adequate nighttime residence, and
2. includes—
 - children and youth who are sharing the housing of other persons due to loss of housing, economic hardship, or a similar reason; are living in motels, hotels, trailer parks, or camping grounds due to the lack of alternative adequate accommodations; are living in emergency or transitional shelters; are abandoned in hospitals; or are awaiting foster care placement
 - children and youth who have a primary nighttime residence that is a public or private place not designed for or ordinarily used as a regular sleeping accommodation for human beings
 - children and youth who are living in cars, parks, public spaces, abandoned buildings, substandard housing, bus or train stations, or similar settings
 - migratory children

Violence Against Women Act of 1994 (42 U.S.C. 14043e–2(6)): The terms "homeless", "homeless individual", and "homeless person" mean:

1. An individual who lacks a fixed, regular, and adequate nighttime residence; and
2. includes:
 - an individual who:
 - is sharing the housing of other persons due to loss of housing, economic hardship, or a similar reason
 - is living in a motel, hotel, trailer park, or campground due to the lack of alternative adequate accommodations
 - is living in an emergency or transitional shelter
 - is abandoned in a hospital; or
 - is awaiting foster care placement
 - an individual who has a primary nighttime residence that is a public or private place not designed for or ordinarily used as a regular sleeping accommodation for human beings; or
 - migratory children

Public Health Service Act (42 U.S.C. 254b(h)(5)(A)): The term "homeless individual" means an individual who lacks housing (without regard to whether the individual is a member of a family), including an individual whose primary residence during the night is a supervised public or private facility that provides temporary living accommodations and an individual who is a resident in transitional housing.

Food and Nutrition Act of 2008(42 U.S.C. 1786b(15)): "Homeless individual" means:

1. An individual who lacks a fixed and regular nighttime residence; or
2. an individual whose primary nighttime residence is—

- a supervised publicly or privately operated shelter (including a welfare hotel or congregate shelter) designed to provide temporary living accommodations
- an institution that provides a temporary residence for individuals intended to be institutionalized
- a temporary accommodation of not more than 365 days in the residence of another individual, or
- a public or private place not designed for, or ordinarily used as, a regular sleeping accommodation for human beings

D. CHRONIC HOMELESS

The definition of Chronic Homeless is an unaccompanied homeless individual with a disabling condition who has been continuously homeless for 1 year or more, OR has had at least four episodes of homelessness in the past 3 years.

A disabling condition is defined as:

1. A disability as defined in Section 223 of the Social Security Act
2. A physical, mental, or emotional impairment which is expected to be of long-continued and indefinite duration, substantially impedes an individual's ability to live independently, and of such a nature that the disability could be improved by more suitable conditions
3. A developmental disability as defined in Section 102 of the Developmental Disabilities Assistance and Bill of Rights Act
4. The disease of acquired immunodeficiency syndrome or any conditions arising from the etiological agent for acquired immune deficiency syndrome, or
5. A diagnosable substance abuse disorder

The term homeless in this case means a person sleeping in a place not meant for human habitation (e.g., living on the streets), in an emergency homeless shelter, or in a Safe Haven as defined by HUD. (COC Grant NOFA, Section I.D.3) http://hudhre.info/documents/FY2011_CoC_NOFAFinal.pdf

SECTION 3: STREET OUTREACH COMPONENT

A. GENERAL § 576.101

ESG funds may be used for costs of providing essential services necessary to reach out to unsheltered homeless people; connect them with emergency shelter, housing, or critical services; and provide urgent, non facility-based care to unsheltered homeless people who are unwilling or unable to access emergency shelter, housing, or an appropriate health facility.

For the purposes of this section, the term “unsheltered homeless people” means those who qualify under paragraph (1)(i) of HUD’s definition of “homeless” (those who have a primary nighttime residence that is a public or private place not meant for human habitation).

B. ELIGIBLE COSTS AND REQUIREMENTS

The staff services related to delivering street outreach activities that are eligible Street Outreach costs are:

1. **Engagement:** The costs of activities to locate, identify, and build relationships with unsheltered homeless people and engage them for the purpose of providing immediate support, intervention, and connections with homeless assistance programs and/or mainstream social services and housing programs. Eligible costs are as follows:
 - making an initial assessment of needs and eligibility
 - providing crisis counseling
 - addressing urgent physical needs, such as providing meals, blankets, clothes or toiletries

- actively connecting and providing information and referrals to programs targeted to homeless people and mainstream social services and housing programs
 - covering cell phone costs of outreach workers during the performance of these activities
2. **Case Management:** The cost of assessing housing and service needs, arranging, coordinating, and monitoring the delivery of individualized services to meet the needs of the program participant. Eligible services and activities are as follows:
- using the centralized or coordinated assessment system
 - conducting the initial evaluation, including verifying and documenting eligibility
 - counseling
 - developing, securing and coordinating services
 - obtaining federal, state, and local benefits
 - monitoring and evaluating program participant progress
 - providing information and referrals to other providers
 - developing an individualized housing and service plan, including planning a path to permanent housing stability
3. **Emergency Health Services:** Eligible costs are for the direct outpatient treatment of urgent medical conditions and are provided by *licensed medical professionals* operating in community-based settings (e.g., including streets, parks, campground, etc.) where unsheltered homeless people are living. Funds may be used only for those services to the extent that other appropriate health services are inaccessible or unavailable within the area. [ESG funds](#) should not be used to pay the costs of medications when a client is eligible to have these costs paid for by Medicare, Medicaid, or another government program.

Eligible treatment consists of:

- assessing participant's health problems and developing a treatment plan
 - helping participants understand their health needs
 - providing directly or assisting participants to obtain appropriate emergency medical treatment
 - providing medication and follow-up services
- Because the health care services must be provided by a licensed medical professional for the treatment of a medical condition, over-the-counter medications would only be eligible costs if prescribed to treat a medical condition. For example, aspirin prescribed as prophylaxis for heart problems might be an eligible expense, while aspirin taken for a headache not related to a medical condition would not be.
4. **Emergency Mental Health Services:** Eligible costs are the direct outpatient treatment by *licensed professionals* of mental health conditions operating in community-based settings (including streets, parks, campgrounds, etc.) where unsheltered homeless people are living. (Emergency in nature)
- Funds may be used only for those services to the extent that other appropriate mental health services are inaccessible or unavailable within the community
 - Mental health services are the application of therapeutic processes to personal, family, situational, or occupational problems in order to bring about positive resolution of the problem or improved individual or family functioning or circumstances (crisis intervention)
 - Eligible treatment consists of:
 - crisis interventions
 - the prescription of psychotropic medications
 - explanation about the use and management of medications
 - combinations of therapeutic approaches to address multiple problems

5. **Transportation:** Eligible costs:

- The transportation costs of travel by outreach workers, social workers, medical professionals, or other service providers are eligible, provided that this travel takes place during the provision of eligible street outreach services
- Transporting unsheltered people to emergency shelters or other service facilities, including:
 - The cost of a participant's travel on public transportation
 - Mileage allowance for service workers to visit program participants if service workers use their own vehicles
 - The cost of purchasing or leasing a vehicle for the subrecipient in which staff transports program participants and/or staff serving program participants, and the cost of gas, insurance, taxes and maintenance for the vehicle
 - The travel costs of subrecipient staff to accompany or assist program participants to use public transportation

6. **Services for Special Populations:** Otherwise eligible Essential Services that have been tailored to address the special needs of homeless youth, victim services, and people living with HIV/AIDS who are literally homeless.

- ***Victim services*** means services that assist program participants who are victims of domestic violence, dating violence, sexual assault, or stalking, including services offered by rape crisis centers and domestic violence shelters, and other organizations with a documented history of effective work concerning domestic violence, dating violence, sexual assault, or stalking

C. **MINIMUM PERIOD OF USE**

The subrecipient must provide services to homeless individuals and families for at least the period during which ESG funds are provided.

D. **MAINTENANCE OF EFFORT**

If the subrecipient is a unit of general purpose local government, its ESG funds cannot be used to replace funds the local government provided for street outreach and emergency shelter services during the immediately preceding 12-month period, unless HUD determines that the unit of general purpose local government is in a severe financial deficit. For more information, see 576.101(c)

SECTION 4: EMERGENCY SHELTER COMPONENT

A. **GENERAL** § 576.102

Emergency shelter means any facility, the primary purpose of which is to provide a temporary shelter for the homeless in general, or for specific populations of the homeless, and which does not require occupants to sign leases or occupancy agreements. Shelter stays should be avoided, if possible, and when not possible, limited to the shortest time necessary to help participants regain permanent housing. Emergency shelter programs should be closely linked to an array of programs in order to accomplish this goal of stable permanent housing and are required to comply with all ESG requirements, including helping program participants increase income, either via employment assistance or through the acquisition of mainstream benefits.

ESG funds may be used for costs of providing essential services to:

- homeless families and individuals in emergency shelters
- renovating buildings to be used as emergency shelter for homeless families/individuals, and
- operating emergency shelters

B. **ELIGIBLE COSTS**

- **Essential Services:** ESG funds may be used to provide essential services to individuals and families who are in an emergency shelter, as follows:
 - a. **Case Management:** The cost of assessing, arranging, coordinating, and monitoring the delivery of individualized services to meet the needs of the program participant is eligible. Services and activities consist of:
 - Using the centralized or coordinated assessment system
 - Conducting the initial evaluation, including verifying and documenting eligibility
 - Counseling
 - Developing, securing, and coordinating services and obtaining federal, state, and local benefits
 - Monitoring and evaluating program participant progress
 - Providing information and referrals to other providers
 - Providing ongoing risk assessment and safety planning with victims of domestic violence, dating violence, sexual assault, and stalking; and
 - Developing an individualized housing and service plan, including planning a path to permanent housing stability
 - b. **Child Care:** The costs of child care for program participants, including providing meals and snacks, and comprehensive and coordinated sets of appropriate developmental activities, are eligible. The children must be under the age of 13, unless they are disabled. Disabled children must be under the age of 18. The child-care center must be licensed by the jurisdiction in which it operates in order for its costs to be eligible.
 - c. **Education Services:** When necessary for the program participant to obtain and maintain housing, the costs of improving knowledge and basic educational skills are eligible. Services include instruction or training in consumer education, health education, substance abuse prevention, literacy, English as a Second Language, and General Educational Development (GED). Component services or activities are: screening, assessment and testing; individual or group instruction; tutoring; provision of books, supplies and instructional material; counseling; and referral to community resources.
 - d. **Employment Assistance and Job Training.** The costs of employment assistance and job training programs are eligible, including classroom, online, and/or computer instruction; on-the-job instruction; and services that assist individuals in securing employment, acquiring learning skills, and/or increasing earning potential. The cost of providing reasonable stipends to program participants in employment assistance and job training programs is an eligible cost. Learning skills include those skills that can be used to secure and retain a job, including the acquisition of vocational licenses and/or certificates. Services that assist individuals in securing employment consist of employment screening, assessment, or testing; structured job skills and job-seeking skills; special training and tutoring, including literacy training and prevocational training; books and instructional material; counseling or job coaching; and referral to community resources.
 - e. **Outpatient Health Service:** Eligible costs are for the direct outpatient treatment of medical conditions and are provided by licensed medical professionals. Emergency Solutions Grant (ESG) funds may be used only for these services to the extent that other appropriate health services are unavailable within the community. [ESG funds](#) should not be used to pay the costs of medications when a client is eligible to have these costs paid for by Medicare, Medicaid, or another government program.

Eligible treatment consists of assessing a program participant's health problems and developing a treatment plan; assisting program participants to understand their health needs; providing directly or assisting program participants to obtain appropriate medical treatment, preventive medical care, and health maintenance services, including emergency medical services; providing medication and follow-up services; and providing preventive and non-cosmetic dental care.

- Because the health care services must be provided by a licensed medical professional for the treatment of a medical condition, over-the-counter medications would only be eligible costs if prescribed to treat a medical condition. For example, aspirin prescribed as prophylaxis for heart problems might be an eligible expense, while aspirin taken for a headache not related to a medical condition would not be.

f. **Legal Services.** Eligible costs for legal services are those that are necessary to resolve a legal problem that prohibits the program participant from obtaining or maintaining permanent housing:

- Eligible costs are the hourly fees for legal advice and representation by attorneys licensed and in good standing with the bar association of the State in which the services are provided, and by person(s) under the supervision of the licensed attorney, regarding matters that interfere with the program participant's ability to obtain and retain housing.
- ESG funds may be used only for these services to the extent that other appropriate legal services are unavailable or inaccessible within the community.
- Eligible subject matters are child support, guardianship, paternity, emancipation, legal separation, orders of protection and other civil remedies for victims of domestic violence, dating violence, sexual assault, stalking, appeal of veterans and public benefit claim denials, and the resolution of outstanding criminal warrants.
- Component services or activities may include client intake, preparation of cases for trial, provision of legal advice, representation at hearings, and counseling.
- Fees based on the actual service performed (i.e., fee for service) are also eligible, but *only if the cost would be less than the cost of hourly fees*. Filing fees and other necessary court costs are also eligible. If the subrecipient is a legal services provider and performs the services itself, the eligible costs are the subrecipients' employees' salaries and other costs necessary to perform the services.
- ✗ Legal services for immigration and citizenship matters and issues relating to mortgages are ineligible costs.
- ✗ Retainer fee arrangements and contingency fee arrangements are ineligible costs.

g. **Life Skills Training.** The costs of teaching critical life management skills that may never have been learned or have been lost during the course of physical or mental illness, domestic violence, substance use, and homelessness are eligible costs. These services must be necessary to assist the program participant to function independently in the community. Component life skills training are budgeting resources, managing money, managing a household, resolving conflict, shopping for food and needed items, improving nutrition, using public transportation, and parenting.

h. **Mental Health Services.** Eligible costs are the direct outpatient treatment by licensed professionals of mental health conditions.

- ESG funds may only be used for these services to the extent that other appropriate mental health services are unavailable or inaccessible within the community. ESG funds should not be used to pay the costs of medications when a client is eligible to have these costs paid for by Medicare, Medicaid, or another government program.
- Mental health services are the application of therapeutic processes to personal, family, situational, or occupational problems in order to bring about positive resolution of the problem or improved individual or family functioning or circumstances. Problem areas may include family and marital relationships, parent-child problems, or symptom management.
- Eligible treatment consists of crisis interventions; individual, family, or group therapy sessions; the prescription of psychotropic medications or explanations about the use and management of medications; and combinations of therapeutic approaches to address multiple problems.

i. **Substance Abuse Treatment Services:** Eligible substance abuse treatment services are designed to prevent, reduce, eliminate, or deter relapse of substance abuse or addictive behaviors and are provided by licensed or certified professionals.

- ESG funds may only be used for these services to the extent that other appropriate substance abuse treatment services are unavailable or inaccessible within the community.
- Eligible treatment consists of client intake and assessment, and outpatient treatment for up to 30 days. Group and individual counseling and drug testing are eligible costs.

✗ Inpatient detoxification and other inpatient drug or alcohol treatments are ineligible costs.

j. **Transportation.** Eligible costs consist of the transportation costs of a program participant's travel to and from medical care, employment, child care, or other eligible essential services facilities. These costs include the following:

- The cost of a program participant's travel on public transportation
- Mileage allowance for service workers to visit program participants if service workers use their own vehicles
- The cost of purchasing or leasing a vehicle for the subrecipient in which staff transports program participants and/or staff serving program participants, and the cost of gas, insurance, taxes, and maintenance for the vehicle, and
- The travel costs of subrecipient staff to accompany or assist program participants to use public transportation

k. **Services for Special Populations.** ESG funds may be used to provide services for homeless youth, victim services, and services for people living with HIV/AIDS, so long as the costs of providing these services are otherwise eligible under the Essential Services of this Component.

- The term **victim services** means services that assist program participants who are victims of domestic violence, dating violence, sexual assault, or stalking, including services offered by rape crisis centers and domestic violence shelters, and other organizations with a documented history of effective work concerning domestic violence, dating violence, sexual assault, or stalking.

2. **Renovation:** Eligible costs include labor, materials, tools, and other costs for renovation (including major rehabilitation of an emergency shelter or conversion of a building into an emergency shelter). The emergency shelter must be owned by a government entity or private nonprofit organization.

3. **Shelter Operations:** Eligible costs are the costs of maintenance (including minor or routine repairs), rent, security, fuel, equipment, insurance, utilities, food, furnishings, and supplies necessary for the operation of the emergency shelter.

➤ *Note:* Where no appropriate emergency shelter is available for a homeless family or individual, eligible costs may also include a hotel or motel voucher for that family or individual.

4. **Assistance required under the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (URA):** Eligible costs are the costs of providing URA assistance under §576.408, including relocation payments and other assistance to persons displaced by a project assisted with ESG funds. Persons that receive URA assistance are not considered “program participants” for the purposes of this part, and relocation payments and other URA assistance are not considered “rental assistance” or “housing relocation and stabilization services” for the purposes of this part.

C. PROHIBITION AGAINST INVOLUNTARY FAMILY SEPARATION:

The age of a child under age 18 must not be used as a basis for denying any family's admission to an emergency shelter that uses ESG funding or services and provides shelter to families with children under age 18.

D. MINIMUM PERIOD OF USE:

1. **Renovated Buildings.** Each building renovated with ESG funds must be maintained as a shelter for homeless individuals and families for not less than a period of 3 or 10 years, depending on the type of renovation and the value of the building. The “value of the building” is the reasonable monetary value assigned to the building, such as the value assigned by an independent real estate appraiser. The minimum use period must begin on the date the building is first occupied by a homeless individual or family after the completed renovation. A minimum period of use of 10 years, required for major rehabilitation and conversion, must be enforced by a recorded deed or use restriction.

- **Major rehabilitation.** If the rehabilitation cost of an emergency shelter exceeds 75 percent of the value of the building before rehabilitation, the minimum period of use is 10 years.
- **Conversion.** If the cost to convert a building into an emergency shelter exceeds 75 percent of the value of the building after conversion, the minimum period of use is 10 years.
- **Renovation other than major rehabilitation or conversion.** In all other cases where ESG funds are used for renovation, the minimum period of use is 3 years.

2. **Essential Services and Shelter Operations:** Where the subrecipient uses ESG funds solely for essential services or shelter operations, the subrecipient must provide services or shelter to homeless individuals and families at least for the period during which the ESG funds are provided. The subrecipient does not need to limit these services or shelter to a particular site or structure, so long as the site or structure serves the same type of persons originally served with the assistance (e.g., families with children, unaccompanied youth, disabled individuals, or victims of domestic violence) or serves homeless persons in the same area where the recipient or subrecipient originally provided the services or shelter.

- E. **MAINTENANCE OF EFFORT:** The maintenance of effort requirements under §576.101(c), which apply to the use of ESG funds for essential services related to street outreach, also apply for the use of such funds for essential services related to emergency shelter.

SECTION 5: HOMELESSNESS PREVENTION COMPONENT § 576.103

The costs of Homelessness Prevention are only eligible to the extent that the assistance is necessary to **prevent** persons from becoming homeless in a shelter or an unsheltered situation and to help such persons **regain stability** in their current housing or move to other permanent housing and achieve stability. Homelessness Prevention must be provided in accordance with the Housing Relocation and Stabilization Services requirements, the Short-term and Medium-term Rental Assistance requirements, and the subrecipient Policy and Procedure Manual in accordance with §576.400

1. Who is eligible?

- A. Individuals and families who meet one of the following categories of HUD's **At Risk of Homelessness** definitions (see Section 2):
 - **At Risk of Homelessness Category 1 – Individual and Families**
 - Includes the requirement that individuals and families lack sufficient resources or support networks immediately available to prevent them from moving to an emergency shelter or another place described in Category 1 of the Homeless definition.
 - **At Risk of Homelessness Category 2 – Unaccompanied Children and Youth**
 - **At Risk of Homelessness Category 3 – Families with Children and Youth**
- B. Individuals and families who meet one of the following categories of HUD's **Homeless** definitions (see Section 2):
 - **Homeless Category 2 – Imminent Risk of Homeless**
 - Includes the requirement that individuals and families have no other residence AND lack the resources and support networks to obtain other permanent housing.
 - **Homeless Category 3 – Homeless Under Other Federal Statutes**
 - **Homeless Category 4 – Fleeing/Attempting to Flee DV**
 - Includes the requirement that individuals and families have no other residence AND lack the resources and support networks to obtain other permanent housing

2. Additional requirements for eligibility:

- All households must be assessed at initial assessment and at re-evaluation to establish the amount and types of assistance needed for housing stability or to remain in permanent housing.
- At initial assessment ALL persons assisted must have an annual income below 30% of AMI,
- Reassessment is required every 3 months:
 - Income at reassessment must be at or below 30% AMI, and
 - Household must lack sufficient resources and support networks to retain housing without ESG assistance
- Additionally, a subrecipient may require re-evaluation each time a household experiences a change in income, household composition, or need for assistance (see Section 12.C.)

3. Eligible Services:

- Rental Assistance: Short- and Medium- Term: (see Section 7)
 - Short-term: up to 3 months assistance
 - Medium-term: 4-24 months assistance
 - One-time payment for up to 6 months rent arrears (including late fees on those arrears)
- Housing Relocation and Stabilization Services (see Section 8)

Services include any combination of the above types so long as the total amount of assistance does not exceed 24 months in a 3 year period. (Exception to this rule found in Section 8.B.2)

- ✗ ESG funds may not be used for transportation costs for individuals or families receiving assistance under either RRH or HP components

SECTION 6: RAPID RE-HOUSING ASSISTANCE COMPONENT § 576.104

Rapid Re-housing funds may be used to help homeless individuals or families **move as quickly as possible** into permanent housing and **achieve stability** in that housing. Rapid Re-housing assistance must be provided in accordance with the Housing Relocation and Stabilization Services requirements, the Short- and Medium-term Rental Assistance requirements, and the subrecipient Policy and Procedure Manual in accordance with §576.400

1. Who is Eligible?

Individuals or families who meet one of the following categories of HUD's Homeless Definition::

- **Category 1 – Literally Homeless**
- **Category 4 – Fleeing/Attempting to Flee DV *and living in a place described in Category 1***
 - Includes the requirement that individuals and families have no other residence AND lack the resources and support networks to obtain other permanent housing

2. Additional Requirements for Eligibility:

- All households must be assessed at initial assessment to establish the amount and types of assistance needed for housing stability or to remain in permanent housing
- Initial assessment to document eligibility does not require income documentation
- Reassessment at least annually:
 - Income (at or below 30% of AMI)
 - Household must lack sufficient resources and support networks necessary to retain housing stability without ESG assistance

Additionally, a subrecipient *may* require re-evaluation each time a household experiences a change in income, household composition, or need for assistance (see Section 12.C.)

3. Eligible Services:

- Rental Assistance: Short and Medium Term (see Section 7)
 - Short term: up to 3 months
 - Medium term: 4-24 months in any 3 year period
 - One-time payment for up to 6 months rent arrears (including late fees on those arrears)
- Housing Relocation and Stabilization Services (see Section 8)

Services include any combination of the above types so long as the total amount of assistance does not exceed 24 months in a 3 year period. (Exception to this rule found in Section 8.B.2)

- ✗ ESG funds may not be used for transportation costs for individuals or families receiving assistance under either RRH or HP components.

SECTION 7: RENTAL ASSISTANCE: SHORT- & MEDIUM-TERM § 576.106

A. ELIGIBLE COSTS

Both Homeless Prevention Assistance and Rapid Re-housing Assistance may provide a program participant with up to 24 months of rental assistance during any 3-year period or the life of the grant funding, whichever comes first. This assistance may include:

- Short-term rental assistance: up to 3 months of rent,
- Medium-term rental assistance: 4 to 24 months of rent in any 3 year period
- Rental arrears: a one-time payment for up to 6 months of rent in arrears, including any late fees on those arrears.
 - *Note:* Late payment fees are only allowed with one-time arrears assistance. ESG specifically prohibits late payment fees incurred under rental assistance agreement with owners.

✗ ESG funds cannot be used to cover the costs of damages incurred by a program participant.

B. DISCRETION TO SET CAPS AND CONDITIONS

Subject to the requirements of this section the subrecipient may set a maximum amount or percentage of rental assistance that a program participant may receive, a maximum number of months that a program participant may receive rental assistance, or a maximum number of times that a program participant may receive rental assistance. The recipient may also require program participants to share in the costs of rent.

- Subrecipients must ensure additional criteria are applied consistently.
- Any additional criteria must be documented in subrecipient's Policy and Procedure Manual.

C. USE WITH OTHER SUBSIDIES (COST TYPE RULE)

Except for a one-time payment of rental arrears on the tenant's portion of the rental payment, rental assistance cannot be provided to a program participant who is receiving tenant-based rental assistance, or living in a housing unit receiving project-based rental assistance or operating assistance, through other public sources. Rental assistance may not be provided to a program participant who has been provided with replacement housing payments under the URA during the period of time covered by the URA payments.

Example: Persons living in public housing units, using housing choice vouchers, or residing in project based assisted units cannot receive monthly rental assistance under ESG.

- Question: Can rent arrears be paid with ESG funds if a program participant has a Section 8 certificate or other type subsidy?
- Answer: While a household receiving an ongoing housing subsidy cannot receive ESG rental assistance, ESG can be used to help the household pay for a one-time payment for up to six months of arrears in cases where the household has fallen behind on its portion of the payment due to a time lag between the household's change in income and the recalculation of the tenant rent contribution. Note that the payment of arrears is eligible because it represents a different period of time – i.e., the arrears represents a back payment of the client portion, while the current rental assistance is a payment going forward.

D. RENT RESTRICTIONS - Fair Market Rent - Rent Reasonableness

Short-and medium-term rental assistance can be provided to eligible program participants only when the rent including utilities (gross rent) for the housing unit complies with *Fair Market Rent and Rent Reasonableness*. (See recommended Rent Reasonableness and Fair Market Rent form)

1. Does not exceed the **Fair Market Rent** (FMR) established by HUD for each geographic area, as provided under 24 CFR 888 and 24 CFR 982.503, <http://www.huduser.org/portal/datasets/fmr.html> (For a mobile device link to connect with HUD Fair Market Rent and Income Limits Lookup Mobile Application, go to http://www.huduser.org/portal/pdr_mobile.html and
2. Complies with HUD's standard of **Rent Reasonableness**: as established under 24 CFR 982.507

HUD has created a resource that provides an explanation of Fair Market Rents and Rent Reasonableness requirements and describes how to determine and document compliance with each. ESG subrecipients are required to use this resource to develop policies, procedures, and documentation requirements to comply with HUD rules: <https://www.onecpd.info/resources/documents/ESG-Rent-Reasonableness-and-FMR.pdf>

E. LEASE REQUIREMENT.

Each program participant receiving rental assistance must have a legally binding written lease for the rental unit, unless the assistance is solely for rental arrears. The lease must, at minimum:

- be between the owner and the program participant as tenant,
- identify the address/unit where program participant will reside,
- identify the terms of the agreement (dates of tenancy, monthly amount due, grace period, etc.), and
- be signed and dated by both parties

Where the assistance is solely for rental arrears, an oral agreement may be accepted in place of a written lease, if the agreement gives the program participant an enforceable leasehold interest under state law and the agreement and rent owed are sufficiently documented by the owner's financial records, rent ledgers, or canceled checks. For program participants living in housing with project-based rental assistance under paragraph (I) of this section, the lease must have an initial term of one year.

➤ *Note:* This is not the same requirement as the Rental Assistance Requirement.

F. RENTAL ASSISTANCE AGREEMENT

The subrecipient may make rental assistance payments only to an owner with whom the subrecipient has entered into a rental assistance agreement. The rental assistance agreement must set forth the terms under which rental assistance will be provided, including the requirements that apply under this section. The rental assistance agreement must provide that, during the term of the agreement, the owner must give the subrecipient a copy of any notice to the program participant to vacate the housing unit, or any complaint used under state or local law to commence an eviction action against the program participant. (See suggestions for Rental Assistance Agreement)

➤ *Note:* This is not the same requirement as the Lease Requirement.

G. LATE PAYMENTS

The subrecipient must make timely payments to each owner in accordance with the rental assistance agreement. The rental assistance agreement must contain the same payment due date, grace period, and late payment penalty requirements as the program participant's lease. The subrecipient is solely responsible for paying late payment penalties that it incurs with non-ESG funds.

H. TENANT-BASED RENTAL ASSISTANCE

1. A program participant who receives tenant-based rental assistance may select a housing unit in which to live and may move to another unit or building and continue to receive rental assistance, as long as the program participant continues to meet the program requirements.
2. The subrecipient may require that all program participants live within a particular area for the period in which the rental assistance is provided.
3. The rental assistance agreement with the owner must terminate and no further rental assistance payments under that agreement may be made if:
 - The program participant moves out of the housing unit for which the program participant has a lease;
 - The lease terminates and is not renewed; or
 - The program participant becomes ineligible to receive ESG rental assistance.

I. PROJECT-BASED RENTAL ASSISTANCE

If the subrecipient identifies a permanent housing unit that meets ESG requirements and becomes available before a program participant is identified to lease the unit, the subrecipient may enter into a rental assistance agreement with the owner to reserve the unit and subsidize its rent in accordance with the following requirements:

1. The rental assistance agreement may cover one or more permanent housing units in the same building. Each unit covered by the rental assistance agreement ("assisted unit") may only be occupied by program participants, except as provided under paragraph (I)(4) of this section.
2. The subrecipient may pay up to 100 percent of the first month's rent, provided that a program participant signs a lease and moves into the unit before the end of the month for which the first month's rent is paid. The rent paid before a program participant moves into the unit must not exceed the rent to be charged under the program participant's lease and must be included when determining that program participant's total rental assistance.
3. The subrecipient may make monthly rental assistance payments only for each whole or partial month an assisted unit is leased to a program participant. When a program participant moves out of an assisted unit, the subrecipient may pay the next month's rent, *i.e.*, the first month's rent for a new program participant, as provided in paragraph (I)(2) of this section.
4. The program participant's lease must not condition the term of occupancy to the provision of rental assistance payments. If the program participant is determined ineligible or reaches the maximum number of months over which rental assistance can be provided, the subrecipient must suspend or terminate the rental assistance payments for the unit. If the payments are suspended, the individual or family may remain in the assisted unit as permitted under the lease, and the subrecipient may resume payments if the individual or family again becomes eligible and needs further rental assistance. If the payments are terminated, the rental assistance may be transferred to another available unit in the same building, provided that the other unit meets all ESG requirements.
5. The rental assistance agreement must have an initial term of one year. When a new program participant moves into an assisted unit, the term of the rental assistance agreement may be extended to cover the initial term of the program participant's lease. If the program participant's lease is renewed, the rental assistance agreement may be renewed or extended, as needed, up to the maximum number of months for which the program participant remains eligible.

- ✗ Under no circumstances may the subrecipient commit ESG funds to be expended beyond the expenditure deadline in §576.203 or commit funds for a future ESG grant before the grant is awarded.

J. CHANGES IN HOUSEHOLD COMPOSITION

The limits on the assistance under this section apply to the total assistance an individual receives, either as an individual or as part of a family.

SECTION 8: HOUSING RELOCATION & STABILIZATION SERVICES § 576.105

Both Homeless Prevention Assistance and Rapid Re-housing Assistance include Housing Relocation and Stabilization Services (HRSS) which may provide:

- Financial Assistance Costs
- Services Costs

A. FINANCIAL ASSISTANCE COSTS

ESG funds may be used to pay housing owners, utility companies, and other third parties for the following costs: *(NOTE: This does not include Rental Assistance)*

1. **Rental application fees** that are charged by the owner to all applicants
2. **Security deposits** that are equal to no more than 2 months' rent. Sub-grantees have discretion to determine how to handle security deposits. If subrecipient recovers the deposit, it must be treated/reported as program income.
3. **Last month's rent**. If necessary to obtain housing for a program participant, the last month's rent may be paid from ESG funds to the owner of that housing at the time the owner is paid the security deposit and the first month's rent. This assistance must not exceed one month's rent and must be included in calculating the program participant's total rental assistance, which cannot exceed 24 months during any 3-year period.
4. **Utility deposit**: Standard required by the utility company for all customers for gas, electric, water and sewage.
5. **Utility payments** for up to 24 months per program participant, per service, including up to 6 months of utility payments in arrears, per service. A partial payment of a utility bill counts as one month. This assistance may only be provided if the program participant or a member of the same household has an account in his or her name with a utility company or proof of responsibility to make utility payments. Eligible utility services are gas, electric, water, and sewage. No program participant shall receive more than 24 months of utility assistance within any 3-year period.
6. **Moving costs** such as truck rental or hiring a moving company. This assistance may include payment of temporary storage fees for up to 3 months, provided that the fees are accrued after the date the program participant begins receiving assistance and before the program participant moves into permanent housing.
 - May be used for allowable, reasonable, and defensible moving costs, such as truck rental, hiring a moving company, *or*
 - short-term storage fees for a maximum of 3 months or until the program participant is in housing, whichever is shorter.
 - Agency must document circumstances surrounding the need to access these moving/storage services, as well as provide cost comparison with other local vendors.
 - If agency decides to help a client relocate, the agency retains responsibility for ensuring all program requirements are met.
 - ✗ Transportation costs for participants (e.g., bus, train) are **not** eligible.
 - ✗ Payment of temporary storage fees in arrears is **not** eligible.

✗ ESG funds cannot be used to cover the costs of damages incurred by a program participant.

B. **SERVICES COSTS**

ESG funds may be used to pay the costs of providing the following services:

1. **Housing search and placement**. Services or activities necessary to assist program participants in locating, obtaining, and retaining suitable permanent housing, include the following:
 - Assessment of housing barriers, needs, and preferences
 - Development of an action plan for locating housing
 - Housing search
 - Outreach to and negotiation with owners
 - Assistance with submitting rental applications and understanding leases
 - Assessment of housing for compliance with Emergency Solutions Grant (ESG) requirements for habitability, lead-based paint, and rent reasonableness
 - Assistance with obtaining utilities and making moving arrangements
 - Tenant counseling
2. **Housing stability case management**. ESG funds may be used to pay cost of assessing, arranging, coordinating, and monitoring the delivery of individualized services to facilitate housing stability for a program participant who resides in permanent housing or to assist a program participant in overcoming immediate barriers to obtaining housing. This assistance:

- cannot exceed 30 days during the period the program participant is seeking permanent housing, and
- cannot exceed 24 months during the period the program participant is living in permanent housing.

a. Costs under case management include:

- Using the centralized or coordinated assessment system to evaluate individuals and families applying for or receiving homelessness prevention or rapid re-housing assistance
- Conducting the initial evaluation including verifying and documenting eligibility, for individuals and families applying for homelessness prevention or rapid re-housing assistance
- Counseling
- Developing, securing, and coordinating services and obtaining Federal, State, and local benefits
- Monitoring and evaluating program participant progress
- Providing information and referrals to other providers
- Developing an individualized housing and service plan, including planning a path to permanent housing stability, and
- Conducting eligibility re-evaluations

b. Mandatory services: Assistance through the Emergency Solutions Grants (ESG) program is intended to be provided as a part of a system-wide approach. In order to evaluate and coordinate services to the greatest extent possible, ESG subrecipients providing ESG-funded rental assistance or housing and relocation services must:

- Develop a plan with each program participant on how they will retain permanent housing after the ESG assistance ends (see 24 CFR 576.401(e)(1)(ii)), taking into account all relevant considerations, such as the program participant's current or expected income and expenses; other public or private assistance for which the program participant will be eligible and likely to receive; and the relative affordability or available housing in the area.
- Require program participants to meet with a case manager not less than once per month while they are receiving ESG-assistance to implement the plan and monitor progress towards housing stability (see § 576.401(e)(1)(i)).
 - **Exception:** Subrecipients are exempt from the requirement to meet with program participants monthly if they also receive funding under the Violence Against Women Act of 1994 (VAWA) or the Family Violence Prevention and Services Act (FVSP) because these programs prohibit making housing conditional on the program participant's acceptance of services (see § 576.401(e)(2)).
- Assist program participants in obtaining appropriate supportive services, as well as connecting them to other federal, state, local, and private benefits and services for which they may be eligible. This includes, but is not limited to, Medicaid, SNAP, WIC, unemployment insurance, SSI/SSDI, services for veterans, and TANF (see § 576.401(d)).
- Have written policies and procedures for coordination among different providers of services in the community. Activities must be coordinated and integrated to the maximum extent practicable (see § 576.400(e)(3)(v)).

The approach to case management described above is required when providing any amount of Rapid Re-Housing or Homelessness Prevention assistance, even when just a one-time payment of rent/utility arrears is being provided. In this instance, a single case management session may meet the program's requirements so long as the housing plan can be established and the referrals to mainstream resources can be completed during the initial intake meeting. The subrecipient may require the program participant to attend additional

follow-up meetings as a condition of receiving assistance.

c. Providing ESG Case Management Services without Rental or Financial Assistance: Under the Rapid Re-Housing and Homelessness Prevention components, ESG funds can be used for case management services (or other services) alone. That is, although rental assistance cannot be provided independent of case management services, case management can be provided independent of rental assistance. For example, services (such as case management) could be provided after the term of a program participant's rental assistance expires, as long as the 24-month cap for each type of assistance is not exceeded.

ESG "stand alone" case management or other services can also be provided to support program participants who receive rental assistance through non-ESG programs, as long as the individual or family is eligible for ESG assistance at the time of the intake evaluation.

d. Limitation on Housing Stability Case Management Under the Rapid Re-Housing Component
Often, households that are eligible for Rapid Re-Housing assistance reside in an emergency shelter or in a place not meant for human habitation while they wait for a unit to be identified. The following principles for charging the costs of housing stability case management under Rapid Re-Housing apply in these situations:

- Subrecipients may provide housing stability case management assistance under the Rapid Re-Housing component for up to 30 days during the period the program participant is residing on the street or in an emergency shelter and seeking permanent housing (see § 576.105(b)(2)).
 - If the program participant needs more than 30 days of housing stability case management assistance while they are sleeping in an emergency shelter or on the street (or other place not meant for human habitation), it must be charged either to Emergency Shelter Essential Services or Street Outreach Case Management, as appropriate. The costs are then subject to the cap on these components.
 - Once the program participant is in permanent housing, housing stability case management can be provided under the Rapid Re-Housing component for up to 24 additional months.
3. **Mediation.** ESG funds may pay for mediation between the program participant and the owner or person(s) with whom the program participant is living, provided that the mediation is necessary to prevent the program participant from losing permanent housing in which the program participant currently resides.
4. **Legal services.** ESG funds may pay for legal services (See Section 4.B.f., page 14), except that the eligible subject matters also include landlord/tenant matters, and the services must be necessary to resolve a legal problem that prohibits the program participant from obtaining permanent housing or will likely result in the program participant losing the permanent housing in which the program participant currently resides.
- ✗ Legal services related to immigration and citizenship, or related to mortgages is ineligible
5. **Credit repair.** ESG funds may pay for credit counseling and other services necessary to assist program participants with critical skills related to household budgeting, managing money, accessing a free personal credit report, and resolving personal credit problems.
- ✗ This assistance does not include the payment or modification of a debt.

C. MAXIMUM AMOUNTS AND PERIODS OF ASSISTANCE

The subrecipient may set a maximum dollar amount that a program participant may receive for each type of financial assistance under paragraph (A) of this section as well as a maximum period for which a program participant may receive any of the types of assistance or services under this section.

However, except for housing stability case management, the total period for which any program participant may receive the services under paragraph (B) of this section must not exceed 24 months during any 3-year period. The limits on the assistance under this section apply to the total assistance an individual receives, either as an individual or as part of a family.

- Subrecipients must ensure additional criteria are applied consistently
- HUD will look to see that this criteria is documented in subrecipient's Policies and Procedures

D. USE WITH OTHER SUBSIDIES

Financial assistance under paragraph (A) of this section cannot be provided to a program participant who is receiving the same type of assistance through other public sources or to a program participant who has been provided with replacement housing payments under the URA, during the period of time covered by the URA payments.

SECTION 9: HMIS COMPONENT § 576.107

The recipient must ensure that data on all persons served and all activities assisted under ESG are entered into the UHMIS in the area in which those persons and activities are located, or a comparable database, in accordance with HUD's standards on participation, data collection, and reporting under a local HMIS. If the subrecipient is a victim service provider or a legal services provider, it may use a comparable database that collects client-level data over time (*i.e.*, longitudinal data) and generates unduplicated aggregate reports based on the data. Information entered into a comparable database must not be entered directly into or provided to an HMIS.

A. Eligible Costs

1. The subrecipient may use ESG funds to pay the costs of contributing data to the UHMIS designated by the Continuum of Care for the area, including the costs of:
 - Purchasing or leasing computer hardware
 - Purchasing software or software licenses
 - Purchasing or leasing equipment, including telephones, fax machines, and furniture;
 - Obtaining technical support
 - Leasing office space
 - Paying charges for electricity, gas, water, phone service, and high-speed data transmission necessary to operate or contribute data to the HMIS
 - Paying salaries for operating HMIS, including:
 - Completing data entry
 - Monitoring and reviewing data quality
 - Completing data analysis
 - Reporting to the HMIS Lead
 - Training staff on using the HMIS or comparable database, and
 - Implementing and complying with HMIS requirements
 - Paying costs of staff to travel to and attend HUD-sponsored and HUD-approved training on HMIS and programs authorized by Title IV of the McKinney-Vento Homeless Assistance Act
 - Paying staff travel costs to conduct intake, and
 - Paying participation fees charged by the HMIS Lead, if the subrecipient is not the HMIS Lead. The HMIS Lead is the entity designated by the Continuum of Care to operate the area's HMIS
2. If the recipient is the HMIS lead agency, as designated by the Continuum of Care in the most recent fiscal year Continuum of Care Homeless Assistance Grants Competition, it may also use ESG funds to pay the costs of:
 - Hosting and maintaining HMIS software or data

- Backing up, recovering, or repairing HMIS software or data
 - Upgrading, customizing, and enhancing the HMIS
 - Integrating and warehousing data, including development of a data warehouse for use in aggregating data from subrecipients using multiple software systems
 - Reporting to providers, the Continuum of Care, and HUD, and
 - Conducting training on using the system or a comparable database, including traveling to the training
3. If the subrecipient is a victim services provider or a legal services provider, it may use ESG funds to establish and operate a comparable database that collects client-level data over time (*i.e.*, longitudinal data) and generates unduplicated aggregate reports based on the data. Information entered into a comparable database must not be entered directly into or provided to an HMIS.

B. General Restrictions. Activities funded under this section must comply with HUD's standards on participation, data collection, and reporting under a local HMIS.

SECTION 10: ADMINISTRATIVE ACTIVITIES § 576.108

A. ELIGIBLE COSTS

Eligible costs do not include staff and overhead costs directly related to carrying out other eligible activities because those costs are eligible as part of those activities. Eligible administrative costs include:

1. **General management, oversight and coordination.** Costs of overall program management, coordination, monitoring, and evaluation. These costs include, but are not limited to, necessary expenditures for the following:
 - Salaries, wages, and related costs of the staff engaged in program administration. In charging costs to this category, the recipient may either include the entire salary, wages, and related costs allocable to the program of each person whose *primary* responsibilities with regard to the program involve program administration assignments, or the pro rata share of the salary, wages, and related costs of each person whose job includes *any* program administration assignments. The subrecipient may use only one of these methods for each fiscal year grant. Program administration assignments include the following:
 - Preparing program budgets and schedules, and amendments to those budgets and schedules
 - Developing systems for assuring compliance with program requirements
 - Developing interagency agreements and agreements with subrecipients and contractors to carry out program activities
 - Monitoring program activities for progress and compliance with program requirements
 - Preparing reports and other documents directly related to the program for submission to HUD
 - Coordinating the resolution of audit and monitoring findings
 - Evaluating program results against stated objectives, and
 - Managing or supervising persons whose primary responsibilities with regard to the program include such assignments as those described in paragraph (a)(1)(i)(A) through (G) of this section
 - Travel costs incurred for monitoring of subrecipients
 - Administrative services performed under third-party contracts or agreements, including general legal services, accounting services, and audit services, and

- Other costs for goods and services required for administration of the program, including rental or purchase of equipment, insurance, utilities, office supplies, and rental and maintenance (but not purchase) of office space
- 2. **Training on ESG requirements.** Costs of providing training on ESG requirements and attending HUD-sponsored ESG trainings.
- 3. **Consolidated plan.** Costs of preparing and amending the ESG and homelessness-related sections of the consolidated plan in accordance with ESG requirements and 24 CFR part 91.
- 4. **Environmental review.** Costs of carrying out the environmental review responsibilities under §576.407.

B. SHARING REQUIREMENT

1. ***States.*** If the recipient is a State, the recipient must share its funds for administrative costs with its subrecipients that are units of general purpose local government. The amount shared must be reasonable under the circumstances. The recipient may share its funds for administrative costs with its subrecipients that are private nonprofit organizations.
2. ***Territories, metropolitan cities, and urban counties.*** If the recipient is a territory, metropolitan city, or urban county, the recipient may share its funds for administrative costs with its subrecipients.

SECTION 11: INDIRECT COSTS § 576.109

A. GENERAL

ESG grant funds may be used to pay indirect costs in accordance with OMB Circular A–87 (2 CFR part 225), or A–122 (2 CFR part 230), as applicable.

B. ALLOCATION

Indirect costs may be allocated to each eligible activity under Program Components so long as that allocation is consistent with an indirect cost rate proposal developed in accordance with OMB Circular A–87 (2 CFR part 225), or A–122 (2 CFR part 230), as applicable.

C. EXPENDITURE LIMITS

The indirect costs charged to an activity subject to an expenditure limit must be added to the direct costs charged for that activity when determining the total costs subject to the expenditure limit.

SECTION 12: CLIENT ELIGIBILITY AND EVALUATION § 576.401

A. INITIAL EVALUATION

The first step in any ESG program is determining if a household applying for ESG assistance is eligible to receive assistance. In order to receive Rental Assistance and/or Housing Relocation and Stabilization Services, households must receive at least an initial evaluation and eligibility assessment with a case manager or other authorized representative who can determine eligibility and the appropriate amount and types of assistance needed. The client must meet at least the following minimum criteria:

1. **Income:** the household’s total income must be below 30% of Area Median Income (AMI);
 - This is for Prevention only.
 - Income for Rapid Re-housing is not an initial evaluation determination. However, program participant must meet the Housing Status and “But For” eligibility criteria.
2. **Housing Status:** the household must fit within HUD’s definition of “Homeless” or “At Risk of Homeless” (See Section 2), AND

3. **"But For":** Client must meet the following *"but for"* circumstances:
 - a. No appropriate subsequent housing options have been identified; AND
 - b. The household lacks the financial resources and/or support networks needed to obtain immediate housing or remain in its existing housing.
 - **Remember: Resources and support networks include family, friends, faith-based and/or other social networks**

Homeless "But For" ESG Assistance...

- ✓ No appropriate subsequent housing options have been identified;
- ✓ The household lacks the financial resources to obtain immediate housing or remain in its existing housing; and
- ✓ The household lacks support networks needed to obtain immediate housing or remain in its existing housing.

Determining whether a potential ESG participant will become homeless *but for* ESG assistance requires subrecipients to work with participants to assess and document the additional three circumstances listed above. This is a critical piece of determining eligibility for ESG and can be the most subjective. ESG funds are limited and in order to ensure the funds are able to effectively serve the most clients possible, subrecipients must carefully consider who is served through ESG.

It may be helpful to think of this requirement in the following terms: Once it is determined someone meets the income and housing status criteria based on the regulations, it is important to then assess whether ESG is the most appropriate program for that participant or household. For example, a household that presents for services with an eviction notice and is under the 30% AMI meets the primary income eligibility criteria and risk of housing loss eligibility criteria for ESG. But before they are provided assistance through ESG, the subrecipient must determine the household has no other available options or resources that may prevent them from becoming literally homeless. This includes looking at other housing options, other support networks, and other financial resources to obtain immediate housing or remain in current housing, i.e., could they stay with a family member until they are able to move into a new unit or get their first paycheck? Are they affiliated with a religious or social network that could provide them with temporary funds or housing? Are there other programs/services that could meet their needs?

These evaluations must be conducted in accordance with the centralized or coordinated assessment requirements set forth under §576.400(d) and the written standards established under §576.400(e). (See Section16: Other Program Requirements, page 50). Evaluation documentation must be kept in client file.

Agencies should have a process in place to refer persons ineligible for ESG assistance to the appropriate resources or service provider that can assist them.

B. RE-EVALUATIONS FOR HOMELESSNESS PREVENTION & RAPID RE-HOUSING ASSISTANCE.

1. The subrecipient must re-evaluate the program participant's eligibility and the types and amounts of assistance the program participant needs not less than:
 - once every 3 months for program participants receiving homelessness prevention assistance, and
 - not less than once annually for program participants receiving rapid re-housing assistance.

(See recommended Household Re-evaluation Form)
2. Re-evaluation must take place before subrecipient approves or provides a 4th, (or 7th, or 10th, etc.) month of assistance (Prevention) or before the 13th month (Rapid Re-housing). The re-

evaluation process should begin early enough to gather needed documentation to confirm continued eligibility without a break in assistance.

At a minimum, each re-evaluation of eligibility must establish that:

1. The program participant's annual income is at or below 30% of the AMI as determined by HUD; and
2. The program participant continues to lack sufficient resources and support networks necessary to retain housing without continued ESG assistance.
3. If the household's eligibility is re-evaluated by someone other than the original intake worker, a new Staff Certification of Eligibility for ESG Assistance (signed by the case manager and his/her supervisor) is required. (See recommended Staff Certification of Eligibility Form)

C. CHANGES IN INCOME OR OTHER CIRCUMSTANCES

The subrecipient MAY require each program participant receiving homelessness prevention or rapid re-housing assistance to notify the subrecipient regarding changes in the program participant's income or other circumstances (e.g., changes in household composition) that affect the program participant's need for assistance under ESG. When notified of a relevant change, the subrecipient must re-evaluate the program participant's eligibility and the amount and types of assistance the program participant needs.

1. **If income over AMI is discovered *during* re-evaluation for homelessness prevention or rapid re-housing assistance:** Each re-evaluation of eligibility must establish that the program participant has an annual income that does not exceed 30 % of median family income for the area. Rapid Re-Housing program participants must be re-evaluated not less than once annually and Homelessness Prevention program participants must be re-evaluated not less than once every three months. If the re-evaluation shows that the program participant is no longer eligible for ESG, assistance must be stopped at that time.
2. **If income over AMI is discovered *outside* of the re-evaluation process for homelessness prevention and rapid re-housing assistance:** HUD does not require subrecipients to conduct a re-evaluation outside of the regular re-evaluation process if information becomes available to indicate that a household has (or may have) increased income or a change in household circumstances that affect eligibility for the program. However, subrecipient has discretion to institute its own standards and MAY require each program participant receiving Rapid Re-housing or Homelessness Prevention assistance to provide information about changes in income or other circumstances (e.g., household composition) that affect the program participant's need for assistance. When a program participant notifies a subrecipient of a relevant change because the notification is REQUIRED, the subrecipient MUST re-evaluate the program participant's eligibility and the amount and types of assistance the program participant needs. If the re-evaluation shows that the program participant is no longer eligible for ESG, assistance must be stopped at that time.
3. **If the subrecipient has NOT required such a notification,** simply receiving information about a change in a program participant's situation outside of the re-evaluation process (e.g., through case management or credit repair activities) has no immediate effect on the program participant's eligibility for ESG, and ESG assistance can continue until the next re-evaluation. At that time, the re-evaluation will determine whether the program participant continues to be eligible for ESG assistance.

D. DETERMINATIONS OF INELIGIBILITY

For each individual and family determined to be ineligible to receive ESG assistance, the record must include documentation of the reason for that determination.

E. ANNUAL INCOME

Through an income determination process that includes identifying the applicable AMI, documenting income, and calculating household income, each household served with financial assistance and/or housing and stabilization services must be determined to be:

- below 30% of Area Median Income (AMI) at initial assessment (Prevention only)
 - at or below 30% at re-evaluation (both Prevention and Rapid Re-housing).
1. Income is determined by using the 24 CFR Part 5.609 definition of income (Section 8 or Housing Choice Voucher definition):
 - Gross annual income of all adult household members that is *anticipated to be received* during the coming 12 months (see 24 CFR 5.609 for more information)
 2. AMI limits are available on HUD's web site at: <http://www.huduser.org/DATASETS/il.html>

F. CONNECTING PROGRAM PARTICIPANTS TO MAINSTREAM AND OTHER RESOURCES

The subrecipient must assist each program participant, as needed, to obtain:

1. Appropriate supportive services, including assistance in obtaining permanent housing, medical health treatment, mental health treatment, counseling, supervision, and other services essential for achieving independent living; and
2. Other Federal, State, local, and private assistance available to assist the program participant in obtaining housing stability, including:
 - Medicaid (42 CFR chapter IV, subchapter C);
 - Supplemental Nutrition Assistance Program (7 CFR parts 271–283);
 - Women, Infants and Children (WIC) (7 CFR part 246);
 - Federal-State Unemployment Insurance Program (20 CFR parts 601–603, 606, 609, 614–617, 625, 640, 650);
 - Social Security Disability Insurance (SSDI) (20 CFR part 404);
 - Supplemental Security Income (SSI) (20 CFR part 416);
 - Child and Adult Care Food Program (42 U.S.C. 1766(t) (7 CFR part 226));
 - Other assistance available under the programs listed in §576.400(c).

G. HOUSING STABILITY CASE MANAGEMENT

While providing homelessness prevention or rapid re-housing assistance to a program participant, the subrecipient must:

- Develop a plan to assist the program participant to retain permanent housing after the ESG assistance ends, taking into account all relevant considerations, such as the program participant's current or expected income and expenses; other public or private assistance for which the program participant will be eligible and likely to receive; and the relative affordability of available housing in the area.
- Require the program participant to meet with a case manager not less than once per month while they are receiving ESG assistance to implement the plan and monitor progress towards housing stability to assist the program participant in ensuring long-term housing stability.
- Assist program participants in obtaining appropriate supportive services as well as connecting them to other federal, state, local, and private benefits and services for which they may be eligible. This includes, but is not limited to, Medicaid, SNAP, WIC, unemployment insurance, SSI/SSDI, services for veterans, and TANF (see §576.401(d)).
- Have written policies and procedures for coordination among different providers of services in the community. Activities must be coordinated and integrated to the maximum extent practicable (§576.400(e)(3)(v)).
 - The subrecipient is exempt from the requirement to meet with program participants monthly if they also receive funding under the Violence Against Women Act of 1994

(VAWA) or the Family Violence Prevention and Services Act (FVSP) because these programs prohibit making housing conditional on the program participant's acceptance of services. (§576.401 (e)(2)).

H. ELIGIBILITY VS. TARGETING

- Eligibility is whether participant meets HUD's minimum requirements
- Targeting is the process of determining the target population to serve
- Targeting decisions impact program design and program design decisions impact targeting
- Targeting may focus on:
 - Specific homeless or at-risk sub-populations
 - Households at more imminent risk of homelessness
 - Households served based on program design
- Subrecipients may elect to implement more stringent targeting and/or eligibility requirements as long as all program participants meet the minimum eligibility criteria and the subrecipients comply with all CoC, local, and federal requirements.
 - HUD will look to see that this criteria is documented in subrecipients Policy and Procedure Manual

I. TIPS FOR DETERMINING ELIGIBILITY OF CLIENTELE

- Explore with client all housing options, resources, supports. Narrate this in case notes,
- Create clear "paper trail" in case file.
- Decisions should be allowable, reasonable and defensible.
- Conduct routine staff training and supervision.

SECTION 13: TERMINATING ASSISTANCE § 576.402

A. GENERAL

If a program participant violates program requirements, the subrecipient may terminate the assistance in accordance with a formal process established by the subrecipient that recognizes the rights of individuals affected. The subrecipient must exercise judgment and examine all extenuating circumstances in determining when violations warrant termination so that a program participant's assistance is terminated only in the most severe cases.

B. FORMAL PROCESS

To terminate rental assistance or housing relocation and stabilization services to a program participant, the required formal process, at a minimum, must consist of:

1. Written notice to the program participant containing a clear statement of the reasons for termination;
2. A review of the decision, in which the program participant is given the opportunity to present written or oral objections before a person other than the person (or a subordinate of that person) who made or approved the termination decision; and
3. Prompt written notice of the final decision to the program participant.

Subrecipients must exercise judgment and examine all extenuating circumstances in determining when violations warrant termination, so that a program participant's assistance is terminated only in the most severe cases.

C. ABILITY TO PROVIDE FURTHER ASSISTANCE

Termination under this section does not bar the subrecipient from providing further assistance at a later date to the same family or individual.

SECTION 14: SHELTER AND HOUSING STANDARDS

A. **MINIMUM STANDARDS FOR EMERGENCY SHELTERS** § 576.403

Any building for which ESG funds are used for conversion, major rehabilitation, or other renovation, must meet state or local government safety and sanitation standards, as applicable, and the following minimum safety, sanitation, and privacy standards. Any emergency shelter that receives assistance for shelter operations must also meet the following minimum safety, sanitation, and privacy standards. The recipient may also establish standards that exceed or add to these minimum standards. These additional standards must be described in the Policy and Procedure Manual.

1. **Structure and materials.** The shelter building must be structurally sound to protect residents from the elements and not pose any threat to health and safety of the residents. Any renovation (including major rehabilitation and conversion) carried out with ESG assistance must use Energy Star and WaterSense products and appliances.
2. **Access.** The shelter must be accessible in accordance with Section 504 of the Rehabilitation Act (29 U.S.C. 794) and implementing regulations at 24 CFR part 8; the Fair Housing Act (42 U.S.C. 3601 *et seq.*) and implementing regulations at 24 CFR part 100; and Title II of the Americans with Disabilities Act (42 U.S.C. 12131 *et seq.*) and 28 CFR part 35; where applicable.
3. **Space and security.** Except where the shelter is intended for day use only, the shelter must provide each program participant in the shelter with an acceptable place to sleep and adequate space and security for themselves and their belongings.
4. **Interior air quality.** Each room or space within the shelter must have a natural or mechanical means of ventilation. The interior air must be free of pollutants at a level that might threaten or harm the health of residents.
5. **Water supply.** The shelter's water supply must be free of contamination.
6. **Sanitary facilities.** Each program participant in the shelter must have access to sanitary facilities that are in proper operating condition, are private, and are adequate for personal cleanliness and the disposal of human waste.
7. **Thermal environment.** The shelter must have any necessary heating/cooling facilities in proper operating condition.
8. **Illumination and electricity.** The shelter must have adequate natural or artificial illumination to permit normal indoor activities and support health and safety. There must be sufficient electrical sources to permit the safe use of electrical appliances in the shelter.
9. **Food preparation.** Food preparation areas, if any, must contain suitable space and equipment to store, prepare, and serve food in a safe and sanitary manner.
10. **Sanitary conditions.** The shelter must be maintained in a sanitary condition.
11. **Fire safety.** There must be at least one working smoke detector in each occupied unit of the shelter. Where possible, smoke detectors must be located near sleeping areas. The fire alarm system must be designed for residents who are deaf or hard of hearing. All public areas of the shelter must have at least one working smoke detector. There must also be a second means of exiting the building in the event of fire or other emergency.

B. **MINIMUM STANDARDS FOR PERMANENT HOUSING** § 576.403

The subrecipient cannot use ESG funds to help a program participant remain or move into housing that does not meet the minimum habitability standards provided in this paragraph. The recipient may also establish standards that exceed or add to these minimum standards.

1. **Structure and materials.** The structures must be structurally sound to protect residents from the elements and not pose any threat to the health and safety of the residents.
2. **Space and security.** Each resident must be provided adequate space and security for themselves and their belongings. Each resident must be provided an acceptable place to sleep.

3. **Interior air quality.** Each room or space must have a natural or mechanical means of ventilation. The interior air must be free of pollutants at a level that might threaten or harm the health of residents.
4. **Water supply.** The water supply must be free from contamination.
5. **Sanitary facilities.** Residents must have access to sufficient sanitary facilities that are in proper operating condition, are private, and are adequate for personal cleanliness and the disposal of human waste.
6. **Thermal environment.** The housing must have any necessary heating/cooling facilities in proper operating condition.
7. **Illumination and electricity.** The structure must have adequate natural or artificial illumination to permit normal indoor activities and support health and safety. There must be sufficient electrical sources to permit the safe use of electrical appliances in the structure.
8. **Food preparation.** All food preparation areas must contain suitable space and equipment to store, prepare, and serve food in a safe and sanitary manner.
9. **Sanitary conditions.** The housing must be maintained in a sanitary condition.
10. **Fire safety.**
 - There must be a second means of exiting the building in the event of fire or other emergency.
 - Each unit must include at least one battery-operated or hard-wired smoke detector, in proper working condition, on each occupied level of the unit. Smoke detectors must be located, to the extent practicable, in a hallway adjacent to a bedroom. If the unit is occupied by persons who are deaf or hard of hearing, smoke detectors must have an alarm system designed for deaf or hard of hearing persons in each bedroom occupied by a deaf or hard of hearing person.
 - The public areas of all housing must be equipped with a sufficient number, but not less than one for each area, of battery-operated or hard-wired smoke detectors. Public areas include, but are not limited to, laundry rooms, community rooms, day care centers, hallways, stairwells, and other common areas.

C. HABITABILITY INSPECTION REQUIREMENT PURPOSE

- HUD resources must only be spent on units that are safe, sanitary, and decent.
- Requirements are designed to protect the people served from unsafe or unhealthy living conditions.
- Without the inspections/assessments, we are:
 - Putting the client at risk
 - Putting the recipient/subrecipient at risk
 - Putting HUD at risk

D. HABITABILITY INSPECTION CLARIFICATIONS

1. **Are habitability standards different from HUD's Housing Quality Standards?**
Yes. The Housing Quality Standards (HQS) used for other HUD programs are more stringent than the habitability standards required for ESG funding. Subrecipients are not required to use HQS, but may do so if they choose.
2. **When Must Habitability Inspections Be Conducted?**
 - Anytime any program participant is receiving financial assistance to remain or move into housing and then on an annual basis for the term of ESG assistance. This would include providing only rental arrears assistance, only security deposit, only legal assistance, only credit repair, etc.
 - HUD recommends that inspections be scheduled prior to the tenant signing the lease.
 - Inspection MUST be completed prior to initial occupancy (i.e., move-in).

3. Who Can Conduct Inspections?

- No specific training or certification is required.
- Subgrantees have flexibility in choosing an inspector:
 - ESG program staff,
 - Staff from or hired by another agency, or
 - Staff from another subsidy program providing assistance to the unit and also requiring an inspection (e.g., Section 8, HOPWA TBRA), as long as they follow the minimum habitability standards required by ESG.

4. Can ESG funds be used to pay for habitability inspections?

Yes, grantees may charge expenses associated with conducting habitability inspections under the Services Costs of the Housing Relocation and Stabilization Services.

5. State and Local Housing Codes

- Habitability Standards do not replace state and local housing codes.
- Likewise, compliance with local code does not replace the need for a habitability inspection.
- Typically, building will have a certificate of occupancy or other documentation that demonstrates compliance with local code.

6. What if Unit Does Not Meet All of The Standards?

- Three options:
 - Landlord addresses deficiencies and a second inspection is conducted to ensure habitability (must happen before assistance can be provided), or
 - The client locates a different unit, or
 - Subrecipient is unable to assist the client.

7. Documentation of Habitability Inspection

- Complete records of inspections and follow-up actions must be maintained in client files.
- Subrecipients have flexibility of documentation form, but it is recommended they use ESG Housing Habitability Standards Inspection Checklist.
 - Inspection form must be signed and dated.

E. LEAD-BASED PAINT REMEDIATION AND DISCLOSURE

The lead-based paint (LBP) requirements exist to protect vulnerable families from potential health hazards. To prevent lead-poisoning in young children, ESG subrecipients must comply with the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. 4821-4846), the Residential Lead-Based Paint Hazard Reduction Act of 1992 (42 U.S.C. 4851-4856), and implementing regulations in 24 CFR part 35, subparts A, B, H, J, K, M, and R. As agencies that provide assistance to and advocate on behalf of disadvantaged populations, it is important to understand that the lead rule is a tool that helps ensure the safety and well-being of your clients. This guidance was developed to assist subrecipients in understanding how the lead-based paint regulations apply to ESG. (For more detailed information, see Understanding the Lead-Based Paint Requirements: Guidance for ESG Subrecipients)

F. LEAD-BASED PAINT CLARIFICATIONS

1. Visual Assessments vs. Lead-Based Paint (LBP) Inspections

- LBP Visual Assessments are sometimes referred to as LBP Inspections, but....
- Terms should not be used interchangeably.
- Terms imply different levels of rigor.
- ESG LBP Visual Assessments must be done by a HUD-Certified Visual Assessor.
- NOT equivalent to a Certified Lead Professional (CLP)

- Various CLP titles may be used: Certified Paint Inspector, Certified Risk Assessor, Sampling Clearance Technician, etc.

2. Becoming a HUD-Certified LBP Visual Assessor

- Certify by completing a short online training on HUD's website at <http://www.hud.gov/offices/lead/training/visualassessment/h00101.htm>
- Training walks through how to identify deteriorated paint and how deteriorated paint must be treated.
- Subrecipient may use certified program staff or hire certified contractor/vendor.

3. When Must a Visual Assessment be Conducted?

- Visual assessment must be completed for all units that meet the following three conditions:
 1. Household is or will be living in a unit that is being assisted with ESG financial assistance (rent assistance, utility assistance, utility/security deposits, or arrears). *Homeless prevention services only* assistance (to keep participant in the same unit) does not require LBP assessment.
 2. Unit was constructed prior to 1978; and
 3. A child under the age of 6 or a pregnant female is/will be living in the unit.
- Applies to persons moving into new/different unit OR remaining in existing unit.
- Assessment must be prior to assistance, and annually thereafter.

4. Determining the Age of the Unit

- Program staff should use formal public records, such as tax assessment records, to establish the age of a unit. These records are typically maintained by the state or county and will include the year built or age of the property. In most areas, these records are available online. In the search field, try combining county name with one of the following phrases:
 - "property tax records"
 - "property tax database"
 - "real property sales"
- For example, if you enter "Salt Lake County property tax records," the first search result is a public property tax information page. Click on "value information" and then enter address and submit. You may have to go into "more details" to find the year built.
- Print out a copy of the screenshot for the case file. If you have trouble finding this information online, contact your local Office of Tax and Revenue for assistance.

5. Unit Exemptions

- House built after 1978.
- Zero-bedroom or Single Room Occupancy (SRO) unit.
- X-ray or laboratory testing of painted surfaces by certified lead professional conducted and unit is certified to be lead-free.
- The property has had all lead-based paint identified and removed in accordance with HUD regulations.
- The client is receiving Federal assistance from another program, where the unit has already undergone a visual assessment within the past 12 months, e.g., if the client has a Section 8 voucher and is receiving ESG assistance for a security deposit or arrears
 - In such cases, ESG staff are required to obtain documentation that a visual assessment has been conducted from the agency administering the other form of assistance for the ESG case file); or
 - It meets any of the other exemptions described in 24 CFR Part 35.115(a).

If any of the conditions outline above are met, ESG subrecipient simply need to document the condition by completing the ESG lead Screening Worksheet and placing a copy in the

case file. Remember, regardless of these exceptions, all properties are still subject to the disclosure requirements.

6. LBP Visual Assessment Documentation

- Subgrantees have flexibility of documentation, but it is recommended that they use the ESG Lead-Based Screening Worksheet . (See suggested LBP Worksheet)
- Every case file must include documentation that:
 1. The unit was exempt (and why); OR
 2. The unit was not exempt, but a visual assessment was conducted and no problems were identified; OR
 3. The unit was not exempt, a visual assessment was conducted, problems were identified, and they were repaired in accordance with HUD regulations.
- If any exemptions are met, then lead-based paint requirements are not triggered and no further action is needed.

7. Conducting the Visual Assessment

- Conduct walk-through of the property to identify problems with paint surfaces.
- If there are no signs of deteriorated paint, the unit can be approved for assistance.

8. When Deteriorated Paint is Identified – 3 Choices

- a. Problems with paint surfaces are repaired/stabilized.
 - ✗ Costs involved in repair of paint surfaces are not eligible with ESG.
- b. Paint is tested to confirm presence of lead and paint stabilized.
 - ✗ Costs related to laboratory testing and stabilization are not eligible with ESG.
- c. Client can be assisted with relocation.

9. Paint Stabilization and the “De Minimis” Level

- If deteriorated paint is identified, the size of the area of deterioration is evaluated. All deteriorated paint must be stabilized. The amount of deteriorated paint determines how it must be stabilized and whether clearance will be required. HUD refers to these amounts as the "de minimis" levels. They are as follows:
 - 20 square feet on exterior surfaces,
 - 2 square feet in any one interior room or space, or
 - 10% of the total surface area on an interior or exterior component with a small surface area like window sills, baseboards, and trim.

10. Paint Stabilization

- If area of paint to be stabilized exceeds “de minimis” level:
 - Use of lead safe work practices and clearance is required.
 - Clearance required by Certified Lead Professional.
- If area of paint is below “de minimis” level:
 - Paint must be repaired but specific practices and clearance are not required. NOTE: working safely on lead-based paint is always highly recommended.

11. Determining How to Proceed: Questions to Ask Yourself:

- How much time is there to “save” the housing?
- How much work is required and what is the cost involved?
- Has the landlord already started eviction proceedings? He/she may or may not be willing to work with the household.
- What are the conditions of local housing market?
 - How expensive/difficult would it be to relocate the participant to a new unit?

- How difficult would it be for the landlord to fill the unit if it was vacated?

12. Tips for Complying With Lead-Based Paint Requirements

- Instruct Case Managers to talk with clients about LBP requirements upon application for assistance.
 - Ensure clients have received HUD's disclosure form and the "Protect Your Family From Lead in The Home" pamphlet from their landlords. Pamphlet is available at: <http://www.hud.gov/offices/lead/enforcement/disclosure.cfm> (See suggested LBP Disclosure Form for Residents)
 - Informed tenants are more likely to watch for potential problems and proactively work with landlords.
- If working with a Prevention client in an existing unit contact the landlord immediately to discuss the lead requirements.
 - Landlord may tell you paint has been tested for lead. Obtain documentation.
 - Landlord may choose to repair areas of deteriorated paint prior to your assessment.
- If working with Prevention or Re-Housing client moving into another unit:
 - Instruct clients on what to look for as they view units.
 - Instruct clients to contact you to schedule the assessment prior to lease being signed.
 - Depending on staff availability, have staff accompany client when he/she returns to sign lease.

13. Tips on Complying with both Habitability Inspection and LBP Visual Assessment Requirements

- Different models may work depending on case volume and program design:
 - Dedicated inspectors(s) offer evening and weekend inspections.
 - Each case manager/housing search specialist conduct inspections
 - Block out specific days/time slots for inspections/assessments to increase efficiency.
- Train same staff persons to conduct both habitability inspections and lead visual assessments.
 - Staff should be able to conduct both at same time (as applicable).
 - Don't make clients wait and risk losing units.

For more detailed information see [ESG Lead-Based Paint Requirements](#)

SECTION 15: DOCUMENTATION AND RECORDKEEPING REQUIREMENTS § 576.500

A. GENERAL

Subrecipients are responsible to maintain adequate and easily identifiable documentation to determine the eligibility of program participants served. Documentation must demonstrate activities and expenses that are:

- Allowable
- Reasonable
- Defensible

1. **Sufficient records must be established and maintained.** Policies and procedures must be established in writing and implemented to ensure that ESG funds are used in accordance with HUD, SCSO and subrecipient requirements. All subrecipient-specific policies must be included

in the written standards. Keep in mind that eligibility is the most frequent monitoring “finding”. These documentation requirements must be clearly defined in written standards (Policy and Procedure Manual) and must:

a. Require Intake Staff to:

1. Establish, verify, document, and narrate in case notes compliance with all eligibility requirements for ESG assistance
 - At the initial time of intake/screening for eligibility, and
 - At the time of re-certification
 - Every 3 months for Prevention, or
 - At least annually for Rapid Re-housing
 - For ALL persons seeking assistance
 - If not eligible, case notes must narrate *and document* why not eligible

b. Intake Documentation Must

1. Establish and verify compliance with HUD’s definition of “Homeless” or “At Risk of Homelessness” (See Section 2)
2. Clearly identify entity/party providing verification
3. Be pertinent to and identify individual/family seeking assistance
4. Be pertinent to the condition/criteria

c. Establish the Preferred Order of Priority for obtaining evidence as required by HUD. (In order of preference)

1. Third Party

- a. Source – wage statement, bank statement, unemployment compensation statement, health-care bill showing arrears, utility bill showing arrears, notices, etc.)
- b. Written, including already available documents (e.g., HMIS records, discharge paperwork, etc.)
 - Official communication (issued on agency stationery or program template) (e.g., emergency shelter provider, street outreach provider, landlord eviction, court doc’s, job termination, etc.) Not expected to be “formal” when from “host family”
 - Signed and dated by appropriate 3rd party representative
 - Additional standards depend on purpose:
 - Housing history (eviction related details, living situation and length of stay details)
 - Economic hardship (letter citing inability to work or recent termination), etc.
 - Preferred to Oral
- c. Oral Statements (statements provided by 3rd party to intake staff)
 - Taken by intake staff
 - Statement provided by 3rd party (must be clear, unambiguous)
 - Signed and dated by intake staff as true and complete
 - Recommended using standardized form for program
 - Have clearly labeled sections for including relevant details and certifications

2. Intake Staff Observations

- a. Only if third party not available or appropriate
- b. Clear, relevant narration of staff observations and assessments
- c. Signed and dated by intake staff as true and complete
- d. Not appropriate for documenting income
- e. Recommended using standardized form for program

- f. Client files should have clearly labeled sections for including relevant details, forms and certifications

3. Self-Certification (Individual/Head of Household Statement)

- a. Written statements certified (signed and dated) as true and complete.
 - Regulations specify when oral statements can be used.
 - Used only as last resort (see “Exceptions to Preferred Order” below)
- b. Due diligence to acquire more preferred documentation must be noted in case file.
- c. Self-certification must be verified if possible, reasonable, and defensible.
 - Efforts to verify self-certification must be documented in case file.
 - Self-certification follows an assessment/discussion regarding circumstances, options, resources, etc.
 - Recommended using standardized form for program

Clients will present with unique circumstances and that will limit intake staff’s ability to obtain the preferred documented Third-Party Written statement. Intake Staff must use their professional judgment based on the details of the situation and prior experience with similar circumstances. When making a professional judgment, it is critical that due diligence efforts to obtain the preferred documentation are clearly described in case notes.

Lack of third-party documentation must not prevent an individual or family from being immediately admitted to emergency shelter, receiving street outreach services, or being immediately admitted to shelter or receiving services provided by a victim service provider.

d. Due Diligence

The efforts made to obtain the preferred type documentation must be clearly documented in case files.

- a. Correspondence to third parties such as copies of email or certified mail, fax transmissions, phone calls logged as notes in the case file, etc.)
- b. Notes in the case file should reflect the outcome of the due diligence efforts especially when related to obstacles encountered, including the inability of third parties to provide verification in the preferred order within a reasonable time frame or the reluctance to respond to a request
- c. Recommend using standardized form
- d. Must be signed and dated by intake staff as true and complete

e. Exceptions to Preferred Order

- When an individual or family is applying for assistance for emergency needs, the lack of third party documentation should not prevent them from immediate assistance from:
 - a. Emergency shelter
 - b. street outreach
 - c. victim services
- To protect the safety of individuals or families fleeing or attempting to flee DV.

f. Determinations of Ineligibility

For each individual and family determined ineligible to receive ESG assistance, the record must include documentation of the reason for that determination.

g. Tips for Creating Documentation Procedures

- Adopt checklists that specify the order for documentation
- Incorporate guidance and examples of exceptions to preferred order

- Have staff check for existing documentation first (e.g., HMIS records or discharge paperwork)
- Create forms for tracking and documenting due diligence

B. HOMELESS DOCUMENTATION

1. Homeless Category 1 – Literally Homeless

a. If Unsheltered Homeless

- HUD's preferred order applies (Third Party, Staff Observation, Self-Declaration)
 - Exception is for providing emergency shelter and street outreach services. In this case intake observation and/or self-certification is acceptable.
- Third Party – Written examples:
 - HMIS street outreach service record
 - Homeless Certification/Written Referral from local law enforcement or emergency medical service agencies
- Self-Certification and Due Diligence

b. If in Shelter

- HUD's preferred order applies
- Third Party – Written examples:
 - HMIS shelter stay record
 - Homeless Certification/Written Referral from shelter
 -

c. If In Hotel/Motel paid for by charitable organization or federal, state or local gov't

- HUD's preferred order applies
- Third Party Written example:
 - Eviction notice on hotel/motel stationery including verification that stay was paid for by organization or government
 - Third Party - Oral
- Self-Certification and Due Diligence

d. If Exiting An Institution

Two Conditions Must Exist:

1. Individual must have been unsheltered or in emergency shelter prior to institution entry
 - HUD's preferred order applies:
 - HMIS shelter stay/street outreach service record
 - Homeless Certification/Written Referral
 - Self-Certification and Due Diligence
2. Length of stay in institution is 90 days or less
 - HUD's preferred order applies:
 - Third Party – Written records available may include:
 - Discharge paperwork
 - Written referral
 - Third Party – Oral
 - Self-Certification and Due Diligence
 - Documentation standard: must specify entry/exit dates or duration of stay to verify stay less than 90 days

2. Homeless Category 2 – Imminent Risk of Homelessness

a. Three Conditions Must Exist:

1) Housing loss within 14 days

• If tenants/homeowners

1. Appropriate documentation in preferred order

- **Third Party – Written:**
 - Court order to leave OR
 - Other equivalent notice under State law (must include landlord's name, address, date, "eviction" statement)
 - **If Self-Certification, must be supported by**
 - Third Party Verification OR
 - Due Diligence
 - **If in hotel/motel (when paid for by applicant); lack of financial resources:**
 1. Self-Certification, supported by other documentation when practical and/or appropriate to obtain
 - **If in other housing situation (i.e., doubled-up); lack of financial resources**
 1. Self-Certification, supported by
 - Third Party Verification (written preferred, oral second choice) OR, if 3rd party impossible to obtain,
 - Due Diligence clearly narrated in case notes
 - 2) No subsequent residence**
 - Self-Certification, supported by other documentation when practical, and
 - Required standardized assessment form
 - 3) Lack of resources and support networks to obtain other housing**
 - Self-Certification, supported by other documentation when practical, and
 - Required standardized assessment form
- 3. Homeless Category 3 - Homeless Under Other Federal Statute**
- a. Four Conditions Must Exist:**
- 1) Defined as Homeless Under Applicable Federal Statutes** (see Section 2, page 10)
 - Third Party – Written only
 - Must be from agency administering Federal program
 - May be in the form of:
 - a. Homeless certification OR
 - b. Letter from provider
 - 2) No lease, ownership interest or occupancy agreement in permanent housing during preceding 60 days**
 - Third Party – Written
 - a. HMIS service/stay record
 - b. Homeless Certification/Written Referral from housing provider
 - c. Written statement from a tenant/homeowner
 - Third Party – Oral
 - Self-Certification
 - 3) Persistent Instability (2 or more moves during preceding 60 days)**
 - Self-Certification, supported by
 - a. Third-Party – Written
 - includes eviction notices, letters from family or friends, letters from other services providers who are directly familiar with the household housing history
 - b. Third-Party – Oral , OR
 - c. Due Diligence to obtain 3rd Party verification
 - Exception for move prompted by flight from DV (requires Self-Certification only)

4) Expected to retain status for extended period due to special needs or 2 or more employment barriers

• If special needs:

a. Third Party-Written

- Written diagnosis from professional licensed by state to diagnose and treat condition, OR
- Intake observation which must be confirmed by written diagnosis from licensed professional confirmed within 45 days

• If 2 or more employment barriers:

a. Third-Party – Written

- Employment records
- Department of Corrections records
- Literacy, English proficiency tests, or
- Other reasonable documentation

b. Third Party – Oral

- Only if written cannot be obtained in a timely manner.

4. Homeless Category 4 – Fleeing/Attempting to Flee DV

a. Three Conditions Must Exist:

- 1) Flight/Attempt to flee DV,
- 2) No subsequent residence identified, and
- 3) Lack of resource to obtain other housing

In no case is it appropriate or professional to put anyone's safety at risk in order to document flight/attempt to flee DV.

b. Documentation must include:

1) If Victim Service Provider:

a. Self-Certification of all three required conditions

- Signed and dated by individual/head of household OR

b. Oral statement recorded by victim service provider, signed and dated as true and complete by intake staff

- Statement should be accurate reflection and not omit any relevant details.

2) If Non-Victim Service Provider:

a. Self-Certification of fleeing/attempt to flee DV by individual/head of household AND, if no threat to safety, supported by:

- Third-Party Written referral source from whom assistance was sought related to DV (law enforcement, service provider, etc), OR
- If safety of household is threatened:

- Intake worker observation is sufficient
- Need only contain minimum amount of information necessary

b. Self-Certification of no subsequent resident, and no resources or support networks

c. Recommend standardized form (See Fleeing/Attempting to Flee DV Form)

C. "AT RISK OF HOMELESSNESS" DOCUMENTATION

For each individual or family who receives ESG homelessness prevention assistance, the records must include the evidence relied upon to establish and verify the individual or family's "at risk of homelessness" status. This evidence must include documentation of:

1. "At Risk" Category 1 – Individuals and Families At Risk

1. Income below 30% AMI (See Income Determination/Documentation below)
2. Insufficient financial resources or support networks to prevent homelessness (See "But For" Documentation below)

3. Meets 1 of 7 “At Risk” categories specified in ESG Interim At Risk of Homelessness :

Risk 1: Persistent housing instability (2 or more times during the 60 days) immediately prior to application due to economic hardship

a. Housing history must demonstrate 2 or more moves within 60 days

- Documentation source and type may include:
 - UHMIS records
 - Referral from housing/service provider
 - Letter from tenant/owner(s)
 - Intake observation is NOT APPROPRIATE

b. Economic reasons may include termination from employment, unexpected medical costs, inability to maintain housing including utilities, etc.

- Documentation source and type may include:
 - Notice of termination
 - Health care bills indicating arrears
 - Utility bills indicating arrears
 - Intake observation is NOT APPROPRIATE

Risk 2: Living in the home of another because of economic hardship

a. Housing must be in the home of another (i.e., doubled up)

- Letter from tenant/homeowner
- Intake observation may be appropriate

b. Economic hardship may include termination from employment, unexpected medical costs, inability to maintain housing including utilities, etc.

Risk 3: Housing loss within 21 days after date of application for assistance

a. Notification to leave within 21 days must be written

- Only third-party source/written is acceptable
 - If tenant/homeowner: eviction notice, court order to leave within 21 days
 - If living with another (doubled-up): eviction letter from tenant/homeowner

Risk 4: Living in a rented hotel or motel (cost is not covered by charitable organization or government program)

a. Housing must be in hotel/motel

- Letter from hotel/motel manager
- Intake observation

b. Costs have not been covered by charitable organization or government program

- Cancelled checks of program applicant or receipts in applicant's name

Risk 5: Living in a severely over-crowded unit as defined by US Census Bureau

a. Census Bureau Definition:

- SRO or efficiency apartment with more than 2 people
- Larger housing: more than 1 ½ people per room

b. Must document number of rooms in unit AND number of individuals living in unit by:

- Lease

- Unit details from Tax Assessor's Office
- Intake observation

Risk 6: Exiting publicly funded institution or system of care

- a. Documenting discharge from health care facility, mental facility, foster care or other youth facility or correction program
 - Discharge paperwork
 - Referral letter
 - Oral statement from facility and documented in file

Risk 7: Living in housing associated with instability and an increased risk of homelessness as described in approved Consolidated Plan

- Appropriate documentation depends on characteristics identified in subrecipient's approved Consolidated Plan
- Policies and procedures must establish documentation requirements in line with HUD's required order

2. "At Risk" Category 2 – Homeless Children & Youth – Defined under another Federal Status

- Verification of Homeless Status must be provided by agency administering applicable Federal program
 - Third Party – Written ONLY
 - Certification of homeless status (letter or standardized form)

3. "At Risk" Category 3 – Homeless Children & Youth including Families/Guardians – defined under Section 725(2) of the McKinney-Vento Act

- Third party – Written ONLY
 - Certification of Homeless status
 - May be letter or referral (See recommended At-Risk of Homeless Certification form)
 - Provided by agency administering Federal program
 - Must confirm that family/guardian is residing with children/youth

D. DETERMINATION OF INELIGIBILITY

For each individual and family determined ineligible to receive Emergency Solutions Grant (ESG) assistance, the case notes must include documentation of the reason for that determination.

E. INCOME DETERMINATION AND DOCUMENTATION

Through a written income determination process that includes identifying the applicable AMI, documenting income, and calculating household income, each household served with financial assistance and/or housing and stabilization services must be determined to be:

- below 30% of Area Median Income (AMI) at initial assessment (Prevention only)
- at or below 30% at re-evaluation (both Prevention and Rapid Re-housing)

1. Income is determined by using the 24 CFR Part 5.609 definition of income (Section 8 or Housing Choice Voucher definition):

- Gross annual income of all adult household members that is *anticipated to be received* during the coming 12 months

2. Calculation of Income

- Annualize hourly, weekly or monthly payment information as appropriate
 - CPD Income Calculator Link: <https://www.onecpd.info/incomecalculator>
- Compare against Area Median Income (AMI)
- Keep documentation in file

3. **Acceptable documentation** (income evaluation form) must include the minimum requirements specified by HUD and completed by subrecipient (in order of preference):
 - *Third Party – Source*
 - Most recent statement by authorized income source (wage statement, unemployment compensation statement, public benefits statement, bank statement, etc.)
 - *Third Party – Written (if Source documentation is unobtainable)*
 - Name of income source, and applicant name
 - Income amount and frequency
 - Contact information for authorized income source representative
 - Signed and dated by authorized income source representative
 - *Third Party – Oral – (if 3rd Party – Written is unobtainable)*
 - By phone or in person directly to intake worker staff
 - Name of income source, and applicant name
 - Income amount and frequency
 - Contact information for authorized income source representative
 - Name, title, telephone number, date and time of conversation
 - Signed and dated by ESG staff who obtained oral verification
 - Due Diligence by case worker of efforts to obtain 3rd Party Source/Written
 - *Self-Certification (only if 3rd Party not available. Due Diligence required)*
 - Must include amount of income received for the most recent period representing what program participant is reasonably expected to receive over the 3-month period following the evaluation.
 - *Intake Observation is NOT APPLICABLE*
4. **Income Inclusions and Documentation:**
 - Earned Income (Wages, Salary, Tips, Fees, etc.) – Gross Income
 - Payment statement
 - Statement on income from employer/source of income
 - Self-Employment/Business Income – Net Income
 - Most recent Financial Statement
 - Can be monthly or annual depending on which best represents current state of business and income derived from business
 - Interest and Dividend Income
 - Most recent interest or dividend income statement
 - Pension/Retirement Income
 - Most recent benefit notice, pension statement or other payment statement from pension provider
 - Armed Forces Income
 - Excludes special pay for hostile fire
 - Payment statement
 - Statement of income from government official/agency
 - Unemployment and Disability Income
 - Most recent benefit or disability income notice from SSI, SSDI, Workers Comp
 - Statement from SSI, etc.
 - Public Assistance, including TANF
 - Most recent benefit or income notice from public assistance administrator
 - Excludes amounts designated for shelter, utilities, WIC, food stamps, child care.
 - Notice or Statement from public assistance administrator
 - Alimony and Child Support (regular contributions received from persons not dwelling with client household)
 - Court order
 - Bank statement of deposits/canceled checks

- No Income Reported
 - Notice of employment termination
 - Self-Certification

5. Income Exclusions

- Income of children (job, payments rec'd for Foster Children or Foster Adults)
- Lump Sum Additions
 - Inheritance and Insurance Income, Capital Gains and Settlements
- Medical Expense Reimbursements
- Income of Live-in Aides
- Certain State payments (see 24 CFR 5.609)
- Student Financial Aid
- Armed Forces Hostile Fire Pay

6. Treatment of Assets

- Assets: Cash or material items that can be converted to cash quickly
 - Real or personal property
 - Investments (retirement accounts, 401K, 403B, Roth IRA, etc)
 - Includes assets that are owned by more than one person that allow unrestricted access to the potential program participant
- When dealing with assets please note that the 24 CFR Part 5 definitions only address how assets should be dealt with for the purposes of calculating income. HUD has not established requirements for how assets are to be treated in determining whether the potential program participant has the financial resources for addressing their financial need and what, if any, of the household assets must be spent down to qualify for assistance.
- Although households are NOT required to spend down their assets in order to be eligible for ESG assistance, assets **should be taken into consideration** when determining whether the household has other financial resources sufficient to obtain or maintain housing.
 - Client assets and how they were considered in determining eligibility should be documented in client file

F. HOMELESS “BUT FOR” DOCUMENTATION

In addition to assessing and documenting the income and current housing situation of applicant households, subgrantees must also assess whether the household would be homeless “*but for*” ESG assistance. This determination takes place at the initial client assessment as well as at each 3-month eligibility recertification (Prevention) or annual recertification (Rapid Re-housing). This requires subgrantees to work with participants to assess and document (e.g., case notes) these additional three circumstances:

- No appropriate subsequent housing options have been identified
- The household lacks the financial resources to obtain immediate housing or remain in its existing housing, and
- The household lacks support networks (family, friends, church, social, etc.) needed to obtain immediate housing or remain in its existing housing

This is a critical piece of determining eligibility for ESG and can be the most subjective. A clear paper-trail in the applicant file must demonstrate that the eligibility determination process was reasonable and defensible. ESG funds are limited and in order to ensure the funds are able to effectively serve the most clients possible, subgrantees must carefully consider *and document* who is served through ESG by documenting:

1. Other Subsequent Housing Options Documentation

- Assessment form or other documentation stating that there are no other appropriate (i.e., safe, affordable, available) subsequent housing options. Assessment form must:
 - Be documented (e.g., case notes) by ESG case manager or other authorized staff
 - Include assessment summary or other statement indicating that applicant has no other appropriate housing options.
 - Be signed and dated by ESG case manager or other authorized ESG staff.

2. Financial Resources and Support Networks Documentation

- Assessment form or other documentation (e.g., case notes) of financial resources AND support networks (i.e., friends, family or other personal sources of financial or material support) by ESG case manager or other authorized ESG staff.
- Assessment Form or other documentation must:
 - Be documented by ESG case manager or other authorized staff.
 - Include review of current account balances in checking and savings accounts held by applicant household.
 - Include assessment summary or other statement indicating that applicant lacks financial resources and support networks to obtain other appropriate subsequent housing or remain in their housing.
 - Be signed and dated by ESG case manager or other authorized ESG staff.

G. PROGRAM PARTICIPANT RECORDS

In addition to evidence of homeless status or “at risk of homelessness” status, as applicable, records must be kept for each program participant that document:

- The services and assistance provided to that program participant, including, as applicable, the security deposit, rental assistance, and utility payments made on behalf of the program participant.
- Compliance with the applicable requirements for providing services and assistance to that program participant under the program components and eligible activities provisions of:
 - Street Outreach Component
 - Emergency Shelter Component
 - Homelessness Prevention Component
 - Rapid Re-housing Assistance Component
 - Housing Relocation and Stabilization Services
 - Short-term and Medium-term Rental Assistance
- Compliance with the provision on determining eligibility and amount and type of assistance (Evaluations and Re-evaluations)
- Compliance with the provision of connecting program participants to mainstream and other resources
- Compliance with the requirements of providing Housing Stability Case management, and
- Compliance with the Termination of Assistance requirement

H. CENTRALIZED OR COORDINATED ASSESSMENT SYSTEMS AND PROCEDURES

The subrecipients must keep documentation evidencing the use of, and written intake procedures for, the centralized or coordinated assessment system(s) developed by the Continuum of Care(s) in accordance with the requirements established by HUD.

I. RENTAL ASSISTANCE AGREEMENTS AND PAYMENTS

The records must include copies of all leases and rental assistance agreements for the provision of rental assistance, documentation of payments made to owners for the provision of rental assistance, and supporting documentation for these payments, including dates of occupancy by program participants.

J. UTILITY ALLOWANCE

The records must document the monthly allowance for utilities used to determine compliance with the rent restriction. The utility allowance does not include telephone, cable or satellite television service, and internet service.

K. SHELTER AND HOUSING STANDARDS

The records must include documentation of compliance with the shelter and housing standards in § 576.403, including inspection reports. (See Section 14: Shelter and Housing Standards)

L. EMERGENCY SHELTER FACILITIES

The subrecipient must keep records of the emergency shelters assisted under the ESG program, including the amount and type of assistance provided to each emergency shelter. As applicable, the subrecipients' records must also include documentation of the value of the building before the rehabilitation of an existing emergency shelter or after the conversion of a building into an emergency shelter, and copies of the recorded deed or use restrictions.

M. SERVICES AND ASSISTANCE PROVIDED

The subrecipient must keep records of the types of essential services, rental assistance, and housing stabilization and relocation services provided and the amounts spent on these services and assistance. The subrecipients that are units of general purpose local government must keep records to demonstrate compliance with the maintenance of effort requirement, including records of the unit of the general purpose local government's annual budgets and sources of funding for street outreach and emergency shelter services.

N. COORDINATION WITH CONTINUUM(S) OF CARE AND OTHER PROGRAMS

The recipient and its subrecipients must document their compliance with the requirements of § 576.400 for consulting with the Continuum(s) of Care and coordinating and integrating ESG assistance with programs targeted toward homeless people and mainstream service and assistance programs.

O. HMIS RECORD STANDARD REQUIREMENTS AND DOCUMENTATION

Data on all persons served and all activities assisted under ESG must be entered into HMIS in the area in which those persons and activities are located in accordance with HUD's standards on participation, data collection, and reporting. If the subrecipient is a victim service provider or a legal services provider, it may use a comparable database that collects client-level data over time (i.e., longitudinal data) and generates unduplicated aggregate reports based on the data. Information entered into a comparable data base must not be entered directly into or provided to an HMIS.

1. Standards for system:
 - System retains auditable history of all entries
 - System prevents overrides or changes to dates the entries are made
 - Information in system can be updated/changed, but history cannot
2. Standard for verifying housing status:
 - Dates of stay/services should be concurrent with application for assistance
3. UHMIS Informed Consent Release Form, signed and dated by client and staff intake worker, must be in client file. (See UHIM.utah.gov for Consent Release Form.)

P. CONFLICT OF INTEREST

1. The recipient and its subrecipients must keep records to show compliance with:
 - a. the organizational conflict-of-interest requirements in § 576.404(a)
 - b. a copy of the personal conflicts of interest policy or codes of conduct developed and implemented to comply with the requirements in § 576.404(b), and
 - c. records supporting exceptions to the personal conflicts of interest prohibitions.(See Section 16: Other Program Requirements, C. Conflict of Interest)

Q. STAFF CERTIFICATION OF ELIGIBILITY

1. A Staff Certification of Eligibility for ESG Assistance form must be completed for each participant and kept in case file. (See recommended Staff Certification form) This form certifies that:
 - Household meets all eligibility criteria for ESG assistance
 - True and complete information was used to determine eligibility
 - No conflict of interest exists related to the provision of ESG assistance
2. **Re-certification:** If the household's eligibility is recertified by someone other than the original intake worker, a new Staff Certification of Eligibility for ESG Assistance (signed by the case manager and his/her supervisor) would be required. However, if the same individual recertifies the household, he/she would not need to complete an additional Staff Certification form but case notes must document recertifying intake/case worker.

R. HOMELESS PARTICIPATION

The subrecipient must document its compliance with the homeless participation requirements under § 576.405. (See Section 16: Other Program Requirements, D. Homeless Participation)

S. FAITH-BASED ACTIVITIES

The recipient and its subrecipients must document their compliance with the faith-based activities requirements under § 576.406. (See Section 16: Other Program Requirements, E. Faith-Based Activities, page 53)

T. OTHER FEDERAL REQUIREMENTS

The subrecipients must document their compliance with the Federal requirements in § 576.407 (see Section 17: Other Federal Requirements), as applicable, including:

1. Records demonstrating compliance with the nondiscrimination and equal opportunity requirements under § 576.407(a), including data concerning race, ethnicity, disability status, sex, and family characteristics of persons and households who are applicants for, or program participants in, any program or activity funded in whole or in part with ESG funds and the affirmative outreach requirements in § 576.407(b).
2. Records demonstrating compliance with the uniform administrative requirements in 24 CFR part 85 (for governments) and 24 CFR part 84 (for nonprofit organizations).
3. Records demonstrating compliance with the environmental review requirements, including flood insurance requirements.
4. Certifications and disclosure forms required under the lobbying and disclosure requirements in 24 CFR part 87.

U. RELOCATION

The records must include documentation of compliance with the displacement, relocation, and acquisition requirements in § 576.408. (See Section 18, Displacement, Relocation, Acquisition)

V. FINANCIAL RECORDS

1. The recipient must retain supporting documentation for all costs charged to the ESG grant.
2. The recipient and its subrecipients must keep documentation showing that ESG grant funds were spent on allowable costs in accordance with the requirements for eligible activities under § 576.101-§ 576.109 and the cost principles in OMB Circulars A-87 (2 CFR part 225) and A-122 (2 CFR part 230).
3. The recipient and its subrecipients must retain records of the receipt and use of program income.
4. The recipient must keep documentation of compliance with the expenditure limits in § 576.100 and the expenditure deadline in § 576.203.

W. SUBRECIPIENTS AND CONTRACTORS

1. The recipient must retain copies of all solicitations of and agreements with subrecipients, records of all payment requests by and dates of payments made to subrecipients, and documentation of all monitoring and sanctions of subrecipients, as applicable. If the recipient is a State, the recipient must keep records of each recapture and distribution of recaptured funds under § 576.501.
2. The recipient and its subrecipients must retain copies of all procurement contracts and documentation of compliance with the procurement requirements in 24 CFR 85.36 and 24 CFR 84.40-84.48.
3. The recipient must ensure that its subrecipients comply with the recordkeeping requirements specified by the recipient and HUD notice or regulations.

X. OTHER RECORDS SPECIFIED BY HUD

The subrecipient must keep other records specified by HUD and SCSO.

Y. CONFIDENTIALITY

1. The recipient and its subrecipients must develop and implement written procedures to ensure:
 - a. All records containing personally identifying information (as defined in HUD's standards for participation, data collection, and reporting in a local HMIS) of any individual or family who applies for and/or receives ESG assistance will be kept secure and confidential;
 - b. The address or location of any domestic violence, dating violence, sexual assault, or stalking shelter project assisted under the ESG will not be made public, except with written authorization of the person responsible for the operation of the shelter; and
 - c. The address or location of any housing of a program participant will not be made public, except as provided under a preexisting privacy policy of the recipient or subrecipient and consistent with state and local laws regarding privacy and obligations of confidentiality.
2. The confidentiality procedures of the recipient and its subrecipients must be in writing and must be maintained in accordance with this section.

Z. PERIOD OF RECORD RETENTION

All records pertaining to each fiscal year of ESG funds must be retained for the greater of 5 years or the period specified below. Copies made by microfilming, photocopying, or similar methods may be substituted for the original records.

1. Documentation of each program participant's qualification as a family or individual at risk of homelessness, or as a homeless family or individual, and other program participant records must be retained for 5 years after the expenditure of all funds from the grant under which the program participant was served;
2. Where ESG funds are used for the renovation of an emergency shelter involving costs charged to the ESG grant that exceed 75 percent of the value of the building before renovation, records must be retained until 10 years after the date that ESG funds are first obligated for the renovation; and
3. Where ESG funds are used to convert a building into an emergency shelter and the costs charged to the ESG grant for the conversion exceed 75 percent of the value of the building after conversion, records must be retained until 10 years after the date that ESG funds are first obligated for the conversion.

AA. ACCESS TO RECORDS

1. *Federal government rights.* Notwithstanding the confidentiality procedures established under paragraph (w) of this section, HUD, the HUD Office of the Inspector General, and the Comptroller General of the United States, or any of their authorized representatives, must have the right of access to all books, documents, papers, or other records of the recipient and its subrecipients that are pertinent to the ESG grant, in order to make audits, examinations, excerpts, and transcripts. These rights of access are not limited to the required retention period but last as long as the records are retained.

2. *Public rights.* The recipient must provide citizens, public agencies, and other interested parties with reasonable access (consistent with state and local laws regarding privacy and obligations of confidentiality and the confidentiality requirements in this part) to records regarding any uses of ESG funds the recipient received during the preceding 5 years.

BB. REPORTS

The recipient must collect and report data on its use of ESG funds in the Integrated Disbursement and Information System (IDIS) and other reporting systems, as specified by HUD. The recipient must also comply with the reporting requirements in 24 CFR parts 85 and 91 and the reporting requirements under the Federal Funding Accountability and Transparency Act of 2006, (31 U.S.C. 6101 note), which are set forth in appendix A to 2 CFR part 170.

SECTION 16: OTHER PROGRAM REQUIREMENTS

A. AREA-WIDE SYSTEMS COORDINATION REQUIREMENTS § 576.400 (a-d)

1. Consultation with Continuums of Care: ESG recipients must consult with each CoC that serves the jurisdiction in determining how to allocate ESG funds each program year; developing the performances standards for, and evaluating the outcomes of projects and activities assisted by ESG funds; and developing funding, policies, and procedures for the administration and operation of the HMIS.

2. Coordination with Other Targeted Homeless Services: ESG recipients and its subrecipients must coordinate and integrate, to the maximum extent practicable, ESG-funded activities with other programs targeted to the homeless people in the area covered by the COC or area over which the services are coordinated to provide a strategic, community-wide system to prevent and end homelessness for the area. For a list of example programs, see 24 CFR Part 576.400.

3. Coordination with Mainstream Resources: ESG recipients and its subrecipients must coordinate and integrate, to the maximum extent practicable, ESG-funded activities with mainstream housing, health, social services, employment, education, and youth programs for which families and individuals at risk of homelessness and homeless individuals and families may be eligible. For a list of example programs, see 24 CFR part 576.400

4. Centralized or Coordinated Assessment: Once the CoC has developed centralized assessment system or a coordinated assessment system in accordance with requirements established by HUD, each ESG-funded program or project within the CoC's area must use that assessment system. The recipient and subrecipient must work with the CoC to ensure the screening, assessment and referral of program participants are consistent with the required Policy and Procedures. A victim service provider may choose not to use the CoC's centralized or coordinated assessment system.

B. POLICY AND PROCEDURES MANUAL (WRITTEN STANDARDS) – § 576-400 (e)

Each subrecipient must establish and consistently apply a well defined, inclusive, organizational and program specific Policy and Procedure Manual (written standards) for providing ESG assistance. These policies and procedures should outline the commitment to appropriately serve clients and follow good practices. Policies and procedures must be consistent with the definitions of homeless and at risk of homelessness (24 CFR 91.5) as well as with record-keeping requirements (24 CFR 576). These standards must be described in subrecipients consolidated plan. References to relevant law and ESG requirements and regulations should be clear within these documents and must include (if applicable to subrecipient Scope of Work):

1. Standard policies and procedures for evaluating individuals' and families' eligibility for assistance under ESG;
2. Standards for targeting and providing essential services related to street outreach;
3. Policies and procedures for admission, diversion, referral, and discharge by emergency shelters assisted under ESG, including standards regarding length of stay, if any, and safeguards to meet the safety and shelter needs of special populations, e.g., victims of domestic violence, dating violence, sexual assault, and stalking; and individuals and families who have their highest barriers to housing and are likely to be homeless the longest;
4. Policies and procedures for assessing, prioritizing, and reassessing individuals' and families' needs for essential services related to emergency shelter;
5. Policies and procedures for coordination among emergency shelter providers, essential service providers, homelessness prevention and rapid re-housing assistance providers, other homeless assistance providers, and mainstream service and housing providers. See Section 576.400 (b) and (c) for a list of programs which ESG-funded activities must be coordinated and integrated to the maximum extent practicable).
6. Policies and procedures for determining and prioritizing which eligible families and individuals will receive homelessness prevention assistance and which eligible families and individuals will receive rapid re-housing assistance.
 - How will subrecipient prioritize individuals and families who are eligible?
 - How will subrecipient include as many homeless families as possible for rapid re-housing, including those with multiple housing barriers?
 - Ability to sustain housing should be a program goal, not a threshold requirement.
7. Standards for determining the share of rent and utilities costs that each program participant must pay, if any, while receiving homelessness prevention or rapid re-housing assistance.
 - Consider local challenges associated with homelessness, other resources available or lacking, existing housing, and economic conditions in the community.
 - Can be flexible and consider a wide range of options for participant's contribution to rent and utilities.
8. Standards for determining how long a particular program will be provided with rental assistance and whether and how the amount of that assistance will be adjusted over time.
9. Standards for determining the type, amount, and duration of housing stabilization and/or relocation services to provide a program participant, including the limits, if any, on the homelessness prevention or rapid re-housing assistance that each program participant may receive, such as the maximum amount of assistance, maximum number of months the program participants receives assistance, or the maximum number of times the program participants may receive assistance.
 - Must ensure regulatory provisions are not violated when developing standards (see notice and Interim Rule for more detail).
 - Consider local challenges associated with homelessness, other resources available or lacking, existing housing and economic conditions in the community.
 - No participant may receive more than 24 months of assistance within a 3-year period.
 - Within that limit, subrecipients have flexibility to consider a wide range of options.

C. CONFLICT OF INTEREST - § 576.404

1. Organizational Conflicts of Interest. The provision of any type or amount of ESG assistance may not be conditioned on an individual's or family's acceptance or occupancy of emergency shelter or housing owned by the recipient, the subrecipient, or a parent or subsidiary of the subrecipient. No subrecipient may, with respect to individuals or families occupying housing owned by the subrecipient, or any parent or subsidiary of the subrecipient, carry out the initial evaluation required under §576.401 or administer homelessness prevention assistance under §576.103.

2. Individual Conflicts of Interest. For the procurement of goods and services, the subrecipients must comply with the codes of conduct and conflict of interest requirements under 24 CFR 85.36 (for

governments) and 24 CFR 84.42 (for private nonprofit organizations). For all other transactions and activities, the following restrictions apply:

- a. **Conflicts prohibited.** No person described in paragraph (2)(b) of this section who exercises or has exercised any functions or responsibilities with respect to activities assisted under the ESG program, or who is in a position to participate in a decision-making process or gain inside information with regard to activities assisted under the program, may obtain a financial interest or benefit from an assisted activity; have a financial interest in any contract, subcontract, or agreement with respect to an assisted activity; or have a financial interest in the proceeds derived from an assisted activity, either for him or herself or for those with whom he or she has family or business ties, during his or her tenure or during the one-year period following his or her tenure.
- b. **Persons covered.** The conflict-of-interest provisions of paragraph (2)(a) of this section apply to any person who is an employee, agent, consultant, officer, or elected or appointed official of the subrecipients.
- c. **Exceptions.** Upon the written request of the recipient, HUD may grant an exception to the provisions of this subsection on a case-by-case basis, taking into account the cumulative effects of the criteria of the factors to be considered for exceptions, provided that the recipient has satisfactorily met the following threshold requirements:
 - **Threshold requirements.** HUD will consider an exception only after the recipient has provided the following documentation:
 - If the recipient or subrecipient is a government, disclosure of the nature of the conflict, accompanied by an assurance that there has been public disclosure of the conflict and a description of how the public disclosure was made; and
 - An opinion of the recipient's attorney that the interest for which the exception is sought would not violate state or local law.
 - **Factors to be considered for exceptions.** In determining whether to grant a requested exception after the recipient has satisfactorily met the threshold requirements of this section, HUD must conclude that the exception will serve to further the purposes of the ESG program and the effective and efficient administration of the program or project, taking into account the cumulative effect of the following factors, as applicable:
 - Whether the exception would provide a significant cost benefit or an essential degree of expertise to the program or project that would otherwise not be available;
 - Whether an opportunity was provided for open competitive bidding or negotiation;
 - Whether the affected person has withdrawn from his or her functions, responsibilities or the decision-making process with respect to the specific activity in question;
 - Whether the interest or benefit was present before the affected person was in the position described in paragraph (2)(a) of this section;
 - Whether undue hardship results to the recipient, the subrecipient, or the person affected, when weighed against the public interest served by avoiding the prohibited conflict; and
 - Any other relevant considerations.

3. **Contractors.** All contractors of the recipient or subrecipient must comply with the same requirements that apply to subrecipients under this section.

D. HOMELESS PARTICIPATION

1. The subrecipient must provide for the participation of not less than one homeless individual or formerly homeless individual on the board of directors or other equivalent policy-making entity of the

recipient, to the extent that the entity considers and makes policies and decisions regarding any facilities, services, or other assistance that receive funding under ESG.

2. If the subrecipient is unable to meet requirement under paragraph (a), it must instead develop and implement a plan to consult with homeless or formerly homeless individuals in considering and making policies and decisions regarding any facilities, services, or other assistance that receive funding under ESG. The plan must be included in the annual action plan required under 24 CFR 91.220.
3. To the maximum extent practicable, the subrecipient must involve homeless individuals and families in constructing, renovating, maintaining, and operating facilities assisted under ESG, in providing services assisted under ESG, and in providing services for occupants of facilities assisted under ESG. This involvement may include employment or volunteer services.

E. FAITH-BASED ACTIVITIES -§ 576.406

1. Organizations that are religious or faith-based are eligible, on the same basis as any other organization, to receive ESG funds. No federal, state, or local government receiving funds under ESG shall discriminate against an organization on the basis of the organization's religious character or affiliation.
2. Organizations that are directly funded under the ESG program may not engage in inherently religious activities, such as worship, religious instruction, or proselytization as part of the programs or services funded under ESG. If an organization conducts these activities, the activities must be offered separately, in time or location, from the programs or services funded under ESG, and participation must be voluntary for program participants.
3. Any religious organization that receives ESG funds retains its independence from Federal, State, and local governments, and may continue to carry out its mission, including the definition, practice, and expression of its religious beliefs, provided that the religious organization does not use direct ESG funds to support any inherently religious activities, such as worship, religious instruction, or proselytization. Among other things, faith-based organizations may use space in their facilities to provide ESG-funded services, without removing religious art, icons, scriptures, or other religious symbols. In addition, an ESG-funded religious organization retains its authority over its internal governance, and the organization may retain religious terms in its organization's name, select its board members on a religious basis, and include religious references in its organization's mission statements and other governing documents.
4. An organization that receives ESG funds shall not, in providing ESG assistance, discriminate against a program participant or prospective program participant on the basis of religion or religious belief.
5. ESG funds may not be used for the rehabilitation of structures to the extent that those structures are used for inherently religious activities. Solutions ESG funds may be used for the rehabilitation of structures only to the extent that those structures are used for conducting eligible activities under the ESG program. Where a structure is used for both eligible and inherently religious activities, ESG funds may not exceed the cost of those portions of the rehabilitation that are attributable to eligible activities in accordance with the cost accounting requirements applicable to ESG funds. Sanctuaries, chapels, or other rooms that an ESG-funded religious congregation uses as its principal place of worship, however, are ineligible for funded improvements under the program. Disposition of real property after the term of the grant, or any change in use of the property during the term of the grant, is subject to government-wide regulations governing real property disposition (see 24 CFR parts 84 and 85).
6. If the subrecipient that is a local government voluntarily contributes its own funds to supplement federally funded activities, the subrecipient has the option to segregate the federal funds or

commingle them. However, if the funds are commingled, this section applies to all of the commingled funds.

F. MONITORING REQUIREMENTS

SCSO will monitor subgrantee's performance in providing Short- and Medium-Term Rental Assistance and Housing Relocation and Stabilization Services by any or all of the following types of reviews:

- Fiscal review
- Desktop review
- Program review
- Interview staff and project participants
- Telephone consultation

Fiscal Review: SCSO may conduct on-site review of financial documentation relevant to the administration of the grant agreement or contract. This would include both backup documentation related to reimbursement requests and a review of internal controls, financial policies and procedures of the organization, and reviews of prior or related audit materials, including independent audit reports.

Desktop Review: SCSO may perform a review from a location other than on site, which may include interviewing the grantee on program implementation and/or reviewing documentation submitted as part of reimbursement requests and/or program implementation.

Program Review: SCSO will conduct an on-site review with all subrecipients no less than once per year. On-site reviews will evaluate program implementation and adherence to contractual program agreements and program rules and regulations. In this case, SCSO would provide an on-site performance assessment and written conclusions and recommendations following the visit.

Monitoring **will** include the following which are federal requirements:

- Formal and advance notification of on-site visits
- Pre-visit preparation based on review of existing information
- Records related to monitoring reviews
- Review of subrecipient Policy and Procedure Manual and requirements
- Assurance that ESG funds are being utilized as originally planned and are for the eligible activities
- Determination whether costs are properly classified and if spending limits on certain activities have been properly adhered to
- Review and check that financial regulations and management requirements are appropriately being followed e.g. financial records, reports or audits
- Assurance that program disbursements or drawdown funds are in compliance with SCSO requirements
- Review of client record files
- Notation of any changes in the use of ESG funds or any other issues

G. SANCTIONS

If SCSO determines that a subrecipient is in noncompliance with the regulations, the State may take any of the following sanctions, as appropriate:

1. Issue a warning letter that further failure to comply with such requirements will result in a more serious sanction;
2. Condition a future grant;
3. Direct the grantee to stop the incurring of costs with grant amounts;
4. Require that some or all of the grant amounts be remitted to HUD;
5. Reduce the level of funds the grantee would otherwise be entitled to receive; or
6. Elect not to provide future grant funds to the grantee until appropriate actions are taken to ensure compliance.

SECTION 17: OTHER FEDERAL REQUIREMENTS

A. GENERAL

The requirements in 24 CFR part 5, subpart A are applicable, including the nondiscrimination and equal opportunity requirements at 24 CFR 5.105(a). Section 3 of the Housing and Urban Development Act of 1968, 12 U.S.C. 1701u, and implementing regulations at 24 CFR part 135 apply, except that homeless individuals have priority over other Section 3 residents in accordance with § 576.405(c).

B. AFFIRMATIVE OUTREACH

The subrecipient must make known that use of the facilities, assistance, and services are available to all on a nondiscriminatory basis. If it is unlikely that the procedures the subrecipient intends to use to make known the availability of the facilities, assistance, and services will reach persons of any particular race, color, religion, sex, age, national origin, familial status, or disability who may qualify for those facilities and services, the subrecipient must establish additional procedures that ensure that those persons are made aware of the facilities, assistance, and services. The subrecipient must take appropriate steps to ensure effective communication with persons with disabilities including, but not limited to, adopting procedures that will make available to interested persons information concerning the location of assistance, services, and facilities that are accessible to persons with disabilities. Consistent with Title VI and Executive Order 13166, subrecipients are also required to take reasonable steps to ensure meaningful access to programs and activities for limited English proficiency (LEP) persons.

C. UNIFORM ADMINISTRATIVE REQUIREMENTS

The requirements of 24 CFR part 85 apply to the recipient and subrecipients that are units of general purpose local government, except that 24 CFR 85.24 and 85.42 do not apply, and program income is to be used as match under 24 CFR 85.25(g). The requirements of 24 CFR part 84 apply to subrecipients that are private nonprofit organizations, except that 24 CFR 84.23 and 84.53 do not apply, and program income is to be used as the non-federal share under 24 CFR 84.24(b). These regulations include allowable costs and non-federal audit requirements.

D. ENVIRONMENTAL REVIEW RESPONSIBILITIES

1. Activities under this part are subject to environmental review by HUD under 24 CFR part 50. The recipient shall supply all available, relevant information necessary for HUD to perform for each property any environmental review required by 24 CFR part 50. The recipient also shall carry out mitigating measures required by HUD or select alternate eligible property. HUD may eliminate from consideration any application that would require an Environmental Impact Statement (EIS).
2. The recipient or subrecipient, or any contractor of the recipient or subrecipient, may not acquire, rehabilitate, convert, lease, repair, dispose of, demolish, or construct property for a project under this part, or commit or expend HUD or local funds for eligible activities under this part, until HUD has performed an environmental review under 24 CFR part 50 and the recipient has received HUD approval of the property.

E. DAVIS-BACON ACT

The provisions of the Davis-Bacon Act (40 U.S.C. 276a to 276a-5) do not apply to the ESG program.

F. PROCUREMENT OF RECOVERED MATERIALS

The recipient and its contractors must comply with Section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act. The requirements of Section 6002 include procuring only items designated in guidelines of the Environmental Protection Agency (EPA) at 40 CFR part 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition, where the purchase price of the item exceeds \$10,000 or the value of the quantity acquired by the preceding fiscal year exceeded \$10,000; procuring solid

waste management services in a manner that maximizes energy and resource recovery; and establishing an affirmative procurement program for procurement of recovered materials identified in the EPA guidelines.

SECTION 18: DISPLACEMENT, RELOCATION, AND ACQUISITION § 576.408

A. MINIMIZING DISPLACEMENT

Consistent with the other goals and objectives of ESG, the recipient and its subrecipients must assure that they have taken all reasonable steps to minimize the displacement of persons (families, individuals, businesses, nonprofit organizations, and farms) as a result of a project assisted under Emergency Solutions Grant (ESG).

B. TEMPORARY RELOCATION NOT PERMITTED

No tenant-occupant of housing (a dwelling unit) that is converted into an emergency shelter may be required to relocate temporarily for a project assisted with ESG funds, or be required to move to another unit in the same building/complex. When a tenant moves for a project assisted with ESG funds under conditions that trigger the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (URA), 42 U.S.C. 4601-4655, as described in paragraph (c) of this section, the tenant should be treated as permanently displaced and offered relocation assistance and payments consistent with that paragraph.

C. RELOCATION ASSISTANCE FOR DISPLACED PERSONS

1. *In general.* A displaced person (defined in paragraph (c)(2) of this section) must be provided relocation assistance at the levels described in, and in accordance with, the URA and 49 CFR part 24. A displaced person must be advised of his or her rights under the Fair Housing Act (42 U.S.C. 3601 *et seq.*). Whenever possible, minority persons shall be given reasonable opportunities to relocate to comparable and suitable decent, safe, and sanitary replacement dwellings, not located in an area of minority concentration, that are within their financial means. This policy, however, does not require providing a person a larger payment than is necessary to enable a person to relocate to a comparable replacement dwelling. (See 49 CFR 24.205(c)(2)(ii)(D).) As required by Section 504 of the Rehabilitation Act (29 U.S.C. 794) and 49 CFR part 24, replacement dwellings must also contain the accessibility features needed by displaced persons with disabilities.

2. *Displaced Person.*

- a. For purposes of paragraph (c) of this section, the term “displaced person” means any person (family, individual, business, nonprofit organization, or farm, including any corporation, partnership, or association) that moves from real property, or moves personal property from real property, permanently, as a direct result of acquisition, rehabilitation, or demolition for a project assisted under the ESG program. This includes any permanent, involuntary move for an assisted project, including any permanent move from the real property that is made:

1. After the owner (or person in control of the site) issues a notice to move permanently from the property or refuses to renew an expiring lease, if the move occurs on or after:

- (I) The date of the submission by the recipient or subrecipient of an application for assistance to HUD (or the recipient, as applicable) that is later approved and funded if the recipient (or subrecipient, as applicable) has site control as evidenced by a deed, sales contract, or option contract to acquire the property; or

- (II) The date on which the recipient (or subrecipient) selects the applicable site, if the recipient (or subrecipient, as applicable) does not have site control at the time of the application, provided that the recipient (or subrecipient, as applicable) eventually obtains control over the site;

2. Before the date described in paragraph (c)(2)(i)(A) of this section, if the recipient or HUD determines that the displacement resulted directly from acquisition, rehabilitation, or demolition for the project; or
 3. By a tenant-occupant of a dwelling unit and the tenant moves after execution of the agreement covering the acquisition, rehabilitation, or demolition of the property for the project.
- b. Notwithstanding paragraph (c)(2)(i) of this section, a person does not qualify as a displaced person if:
1. The person has been evicted for cause based upon a serious or repeated violation of the terms and conditions of the lease or occupancy agreement; violation of applicable Federal, State or local law, or other good cause; and the recipient determines that the eviction was not undertaken for the purpose of evading the obligation to provide relocation assistance.
 2. The person moved into the property after the submission of the application but, before signing a lease and commencing occupancy, was provided written notice of the project, its possible impact on the person (*e.g.*, the person may be displaced), and the fact that the person would not qualify as a “displaced person” (or for any assistance under this section) as a result of the project;
 3. The person is ineligible under 49 CFR 24.2(a)(9)(ii); or
 4. HUD determines that the person was not displaced as a direct result of acquisition, rehabilitation, or demolition for the project.
- c. The recipient or subrecipient may, at any time, request that HUD to determine whether a displacement is or would be covered by this rule.

3. Initiation of negotiations For purposes of determining the type of replacement housing payment assistance to be provided to a displaced person pursuant to this section:

- a. If the displacement is the direct result of privately undertaken rehabilitation, demolition, or acquisition of the real property, “initiation of negotiations” means the execution of the agreement between the recipient and the subrecipient or the agreement between the recipient (or subrecipient, as applicable) and the person owning or controlling the property;
- b. If site control is only evidenced by an option contract to acquire the property, the “initiation of negotiations” does not become effective until the execution of a written agreement that creates a legally enforceable commitment to proceed with the purchase, such as a sales contract.

D. REAL PROPERTY ACQUISITION REQUIREMENTS

The acquisition of real property, whether funded privately or publicly, for a project assisted with ESG funds is subject to the URA and Federal government wide regulations at 49 CFR part 24, subpart B.

E. APPEALS

A person who disagrees with the recipient or subrecipient's determination concerning whether the person qualifies as a displaced person, or the amount of relocation assistance for which the person may be eligible, may file a written appeal of that determination with the recipient under 49 CFR 24.10. A low-income person who disagrees with the recipient's determination may submit a written request for review of that determination by the appropriate HUD field office.

SECTION 19: ENFORCEMENT § 576.501

A. PERFORMANCE REVIEWS

1. HUD will review the performance of each recipient in carrying out its responsibilities under this part whenever determined necessary by HUD, but at least annually. In conducting performance reviews, HUD will rely primarily on information obtained from the records and reports from the recipient and, when appropriate, its subrecipients, as well as information from on-site monitoring, audit reports, and information from IDIS and HMIS. Where applicable, HUD may also consider relevant information pertaining to the recipient's performance gained from other sources, including citizen comments, complaint determinations, and litigation. Reviews to determine compliance with specific requirements of this part will be conducted as necessary, with or without prior notice to the recipient.
2. If HUD determines preliminarily that the recipient or one of its subrecipients has not complied with an ESG program requirement, HUD will give the recipient notice of this determination and an opportunity to demonstrate, within the time prescribed by HUD and on the basis of substantial facts and data, that the recipient has complied with Emergency Solutions Grant (ESG) requirements. HUD may change the method of payment to require the recipient to obtain HUD's prior approval each time the recipient draws down Emergency Solutions Grant (ESG) funds. To obtain prior approval, the recipient may be required to manually submit its payment requests and supporting documentation to HUD in order to show that the funds to be drawn down will be expended on eligible activities in accordance with all ESG program requirements.
3. If the recipient fails to demonstrate to HUD's satisfaction that the activities were carried out in compliance with ESG program requirements, HUD will take one or more of the remedial actions or sanctions specified in paragraph (b) of this section.

B. REMEDIAL ACTIONS AND SANCTION

Remedial actions and sanctions for a failure to meet an ESG program requirement will be designed to prevent a continuation of the deficiency; mitigate, to the extent possible, its adverse effects or consequences; and prevent its recurrence.

1. HUD may instruct the recipient to submit and comply with proposals for action to correct, mitigate, and prevent noncompliance with ESG requirements, including:
 - (i) Preparing and following a schedule of actions for carrying out activities affected by the noncompliance, including schedules, timetables, and milestones necessary to implement the affected activities;
 - (ii) Establishing and following a management plan that assigns responsibilities for carrying out the remedial actions;
 - (iii) Canceling or revising activities likely to be affected by the noncompliance, before expending ESG funds for the activities;
 - (iv) Reprogramming ESG funds that have not yet been expended from affected activities to other eligible activities;
 - (v) Suspending disbursement of ESG funds for some or all activities;
 - (vi) Reducing or terminating the remaining grant of a subrecipient and reallocating those funds to other subrecipients; and
 - (vii) Making matching contributions before or as draws are made from the recipient's ESG grant.
2. HUD may change the method of payment to a reimbursement basis.
3. HUD may suspend payments to the extent HUD deems it necessary to preclude the further expenditure of funds for affected activities.
4. HUD may remove the recipient from participation in reallocations of funds under subpart D of this part.

5. HUD may deny matching credit for all or part of the cost of the affected activities and require the recipient to make further matching contributions to make up for the contribution determined to be ineligible.
6. HUD may require the recipient to reimburse its line of credit in an amount equal to the funds used for the affected activities.
7. HUD may reduce or terminate the remaining grant of a recipient and reallocate those funds to other recipients in accordance with subpart D of this part.
8. HUD may condition a future grant.
9. HUD may take other remedies that are legally available.

C. RECIPIENT SANCTIONS

If the recipient determines that a subrecipient is not complying with an ESG program requirement or its subgrant agreement, the recipient must take appropriate actions, as prescribed for HUD in paragraphs (a) and (b) of this section. If the recipient is a State and funds become available as a result of an action under this section, the recipient must reallocate those funds to other subrecipients as soon as practicable. If the recipient is a unit of general purpose local government of territory, it must either reallocate those funds to other subrecipients or reprogram the funds for other activities to be carried out by the recipient as soon as practicable. The recipient must amend its Consolidated Plan in accordance with its citizenship participation plan if funds become available and are reallocated or reprogrammed under this section. The reallocated or reprogrammed funds must be used by the expenditure deadline in § 576.203.

SECTION 20: AWARD AND USE OF FUNDS

A. SUBMISSION REQUIREMENTS AND GRANT APPROVAL § 576.200

1. **Allocation of Funding:** HUD provides ESG recipients the flexibility to determine how to best allocate funding. The state of Utah has consolidated both state and federal sources of homeless program grants into a single application process (Unified Funding Program). A statewide allocation plan was developed by an allocation committee and approved by a Governor appointed interagency council on homelessness (the Utah State Homeless Coordinating Committee). The State Community Services Office solicits proposals (Request for Proposal) from programs statewide that serve homeless persons according to HUD's definition of homelessness.

Priority is given to programs that:

- a. benefit chronically homeless persons, meet the needs of local communities, are cost effective, have participation by the public and private sector, are part of the Continuum of Care process and address problems of health, safety, and welfare
- b. move homeless people from shelters and off the streets into decent, safe, and affordable housing and provide supportive services to promote housing retention and improve or maintain quality of life. This proposed activity also supports the national objective #4 to "Provide permanent supportive housing to prevent and end chronic homelessness".

2. **Application submission and Approval:** In addition to meeting the application submission requirements in 24 CFR part 5, subpart K, each State, urban county, or metropolitan city must submit and obtain HUD approval of a consolidated plan in accordance with the requirements in 24 CFR part 91, and each territory must submit and obtain HUD approval of a consolidated plan in accordance with the requirements that apply to local governments under 24 CFR part 91. As provided under 24 CFR 85.12, HUD may impose special conditions or restrictions on a grant, if the recipient is determined to be high risk.

3. Amendments: The recipient must amend its approved consolidated plan in order to make a change in its allocation priorities; make a change in its method of distributing funds; carry out an activity not previously described in the plan; or change the purpose, scope, location, or beneficiaries of an activity. The amendment must be completed and submitted to HUD in accordance with the requirements under 24 CFR 91.505.

B. MATCHING REQUIREMENTS - § 576.201

Matching funds are required. Refer to your current SCSO ESG contract for match requirements of subrecipient .

C. MEANS OF CARRYING OUT GRANT ACTIVITIES -§ 576.202

1. **States.** If the recipient is a State, the recipient may use an amount consistent with the restrictions in § 576.100 and § 576.108 to carry out administrative activities through its employees or procurement contracts. If the recipient is a State, and has been identified as the HMIS lead by the Continuum of Care, the State may use funds to carry out HMIS activities set forth in § 576.107(a)(2). The recipient must subgrant the remaining funds in its fiscal year grant to:

- a. Units of general purpose local government in the State, which may include metropolitan cities and urban counties that receive ESG funds directly from HUD; or
- b. Private nonprofit organizations, provided that for emergency shelter activities the recipient obtains a certification of approval from the unit of general purpose local government for the geographic area in which those activities are to be carried out.

2. **Recipients other than States; subrecipients.** The recipient, if it is not a State, and all subrecipients may carry out all eligible activities through their employees, procurement contracts, or subgrants to private nonprofit organizations. If the recipient is an urban county, it may carry out activities through any of its member governments, so long as the county applies to its members the same requirements that are applicable to local government subrecipients under this part.

D. OBLIGATION, EXPENDITURE, AND PAYMENT REQUIREMENTS - § 576.203

1. Obligation of funds.

a. *Funds allocated to States.*

- i. Within 60 days from the date that HUD signs the grant agreement with the State (or grant amendment for reallocated funds), the recipient must obligate the entire grant, except the amount for its administrative costs. This requirement is met by a subgrant agreement with, or a letter of award requiring payment from the grant to, a subrecipient.
- ii. (ii) Within 120 days after the date that the State obligates its funds to a unit of general purpose local government, the subrecipient must obligate all of those funds by a subgrant agreement with, or a letter of award requiring payment to, a private nonprofit organization; a procurement contract; or the written designation of a department within the government of the subrecipient to directly carry out an eligible activity.

b. *Funds allocated to metropolitan cities, urban counties, and territories.* Within 180 days after the date that HUD signs the grant agreement (or a grant amendment for reallocation of funds) with the metropolitan city, urban county, or territory, the recipient must obligate all the grant amount, except the amount for its administrative costs. This requirement is met by an agreement with, or a letter of award requiring payment to, a subrecipient; a procurement contract; or a written designation of a department within the government of the recipient to directly carry out an eligible activity. If the recipient is an urban county, this requirement may also be met with an agreement with, or letter of award requiring payment to, a member government, which has designated a department to directly carry out an eligible activity.

2. **Expenditures.** The recipient must draw down and expend funds from each year's grant not less than once during each quarter of the recipient's program year. All of the recipient's grant must be

expended for eligible activity costs within 24 months after the date HUD signs the grant agreement with the recipient. For the purposes of this paragraph, expenditure means either an actual cash disbursement for a direct charge for a good or service or an indirect cost or the accrual of a direct charge for a good or service or an indirect cost.

2. **Payments to subrecipients.** The recipient must pay each subrecipient for allowable costs within 30 days after receiving the subrecipient's complete payment request. This requirement also applies to each subrecipient that is a unit of general purpose local government.

SECTION 21: REALLOCATIONS

A. **GENERAL** - § 576.300

1. **Funds not awarded** by HUD due to failure by the recipient to submit and obtain HUD approval of a consolidated plan will be reallocated in accordance with §§ 576.301 through 576.303.
2. **Recaptured funds** will be awarded by formula. In October and April each year, HUD will determine if the amount of recaptured funds is at least 30 percent of the most recent fiscal year appropriation. If so, HUD will amend all existing grants and reallocate the funds. If the amount is less than 30 percent of the most recent fiscal year appropriation, the funds will be reallocated in conjunction with the next fiscal year's allocation of funding.

B. **METROPOLITAN CITIES AND URBAN COUNTIES** - § 576.301

Grant funds returned by a metropolitan city or urban county will be reallocated as follows:

1. **Eligible recipient.** HUD will make the funds available to the State in which the city or county is located.
2. **Notification of availability.** HUD will promptly notify the State of the availability of the amounts to be reallocated.
3. **Application requirement.** Within 45 days after the date of notification, the State must submit to HUD a substantial amendment to its consolidated plan in accordance with 24 CFR part 91.
4. **Restrictions that apply to reallocated amounts.** The same requirements that apply to grant funds allocated under § 576.3 apply to grant funds reallocated under this section, except that the State must distribute the reallocated funds:
 - a. To private nonprofit organizations and units of general purpose local government in the geographic area in which the metropolitan city or urban county is located;
 - b. If funds remain, to private nonprofit organizations and units of general purpose local government located throughout the State.

C. **STATES** - § 576.302

Grant funds returned by a State will be reallocated as follows:

1. **Eligible recipients.** HUD will make the funds available:
 - a. To metropolitan cities and urban counties in the State that were not allocated funds under § 576.3 because the amount they would have been allocated did not meet the minimum requirement under § 576.3(b)(2);
 - b. If funds remain, to county governments in the State other than urban counties;
 - c. Then, if funds remain, to metropolitan cities and urban counties in the State that were allocated funds under § 576.3.
2. **Notification of availability.** HUD will notify eligible recipients of the availability of the funds by a notification letter or FEDERAL REGISTER notice, which will specify how the awards of funds will be made.
3. **Application requirements.** Within 45 days after the date of notification, the eligible recipient must submit to HUD:

- a. A substantial amendment to its approved consolidated plan in accordance with 24 CFR part 91; or
 - b. If the eligible recipient does not have an approved consolidated plan, an abbreviated consolidated plan that meets the requirements in the **FEDERAL REGISTER** notice or notification letter from HUD.
4. **Restrictions that apply to reallocated amounts.** The same requirements that apply to grant funds allocated under § 576.3 apply to grant funds reallocated under this section.

D. TERRITORIES - § 576.303

1. **General.** Grant funds returned by a territory will be reallocated to other territories, then if funds remain, to States.
2. **Allocation method.** The funds will be allocated as follows:
 - a. For territories, the funds will be allocated among the territories in direct proportion with each territory's share of the total population of all of the eligible territories. If HUD determines that a territory failed to spend its funds in accordance with ESG requirements, then HUD may exclude the territory from the allocation of reallocation amounts under this section.
 - b. For States, the funds will be allocated to each State in direct proportion with each State's share of the total amount of funds allocated to States under § 576.3.
3. **Notification of availability.** HUD will notify eligible recipients of the availability of the fund by a letter or **FEDERAL REGISTER** notice, which will specify how the awards of funds will be made.
4. **Application requirements.** Within 45 days after the date of notification, the eligible recipient must submit to HUD a substantial amendment to its consolidated plan in accordance with 24 CFR part 91.
5. **Restrictions that apply to reallocated amounts.** The same requirements that apply to grant funds allocated under § 576.3 apply to grant funds reallocated under this section.

SECTION 22: REFERENCE INFORMATION

DEFINITIONS

Consolidated plan means a plan prepared in accordance with 24 CFR part 91. An *approved consolidated plan* means a consolidated plan that has been approved by HUD in accordance with 24 CFR part 91.

Continuum of Care means the group composed of representatives of relevant organizations, which generally includes nonprofit homeless providers; victim service providers; faith-based organizations; governments; businesses; advocates; public housing agencies; school districts; social service providers; mental health agencies; hospitals; universities; affordable housing developers; law enforcement; organizations that serve homeless and formerly homeless veterans, and homeless and formerly homeless persons that are organized to plan for and provide, as necessary, a system of outreach, engagement, and assessment; emergency shelter; rapid re-housing; transitional housing; permanent housing; and prevention strategies to address the various needs of homeless persons and persons at risk of homelessness for a specific geographic area.

Emergency shelter means any facility, the primary purpose of which is to provide a temporary shelter for the homeless in general or for specific populations of the homeless and which does not require occupants to sign leases or occupancy agreements. Any project funded as an emergency shelter under a Fiscal Year 2010 Emergency Solutions grant may continue to be funded under ESG

Homeless Management Information System (HMIS) means the information system designated by the Continuum of Care to comply with the HUD's data collection, management, and reporting standards and

used to collect client-level data and data on the provision of housing and services to homeless individuals and families and persons at-risk of homelessness.

Metropolitan city means a city that was classified as a metropolitan city under 42 U.S.C. 5302(a) for the fiscal year immediately preceding the fiscal year for which ESG funds are made available. This term includes the District of Columbia.

Private nonprofit organization means a private nonprofit organization that is a secular or religious organization described in section 501(c) of the Internal Revenue Code of 1986 and which is exempt from taxation under subtitle A of the Code, has an accounting system and a voluntary board, and practices nondiscrimination in the provision of assistance. A private nonprofit organization does not include a governmental organization, such as a public housing agency or housing finance agency.

Program income shall have the meaning provided in 24 CFR 85.25. Program income includes any amount of a security or utility deposit returned to the recipient or subrecipient.

Program participant means an individual or family who is assisted under ESG program.

Program year means the consolidated program year established by the recipient under 24 CFR part 91.

Recipient means any State, territory, metropolitan city, or urban county, or in the case of reallocation, any unit of general purpose local government that is approved by HUD to assume financial responsibility and enters into a grant agreement with HUD to administer assistance under this part.

State means each of the several States and the Commonwealth of Puerto Rico.

Subrecipient means a unit of general purpose local government or private nonprofit organization to which a recipient makes available ESG funds.

Territory means each of the following: the Virgin Islands, Guam, American Samoa, and the Northern Mariana Islands.

Unit of general purpose local government means any city, county, town, township, parish, village, or other general purpose political subdivision of a State.

Urban county means a county that was classified as an urban county under 42 U.S.C. 5302(a) for the fiscal year immediately preceding the fiscal year for which ESG funds are made available.

Victim service provider means a private nonprofit organization whose primary mission is to provide services to victims of domestic violence, dating violence, sexual assault, or stalking. This term includes rape crisis centers, battered women's shelters, domestic violence transitional housing programs, and other programs.

LINKS

Guidance

HUD Homeless Resource Exchange

www.HUDHRE.Info/

Emergency Solutions Grant Program Interim Regulations (PDF)

https://www.onecpd.info/resources/documents/HEARTH_ESGInterimRule&ConPlanConformingAmendments.pdf

Utah HMIS

<http://hmis.utah.gov/>

Rent Reasonableness and Fair Market Rent Guidance

<https://www.onecpd.info/resources/documents/ESG-Rent-Reasonableness-and-FMR.pdf>

General

Request for Funds (RFF Lite) Instructions

http://housing.utah.gov/scso/reimbursement_for_funds/documents/RFF-LITE.WebGrants.06.29.pdf

Income

Area Median Income (AMI) Limits

<http://www.huduser.org/portal/datasets/pdrdatas.html>

Fair Market Rents

<http://www.huduser.org/portal/datasets/pdrdatas.html>

CPD Income Calculator

<https://www.onecpd.info/incomecalculator>

Lead-Based Paint

Lead-Based Paint Poisoning Prevention Act of 1973 – 24 CFR 35, Parts A, B, M, and R

http://brgov.com/DEPT/ocd/pdf/1012_3final.pdf

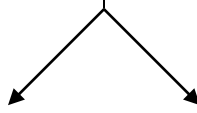
Comparison of De Minimis Requirements in Federal Lead-Based Paint Regulations

http://www.afhh.org/aa/aa_hh_policy_national_policy_Comparison_Deminimis_Regs.pdf

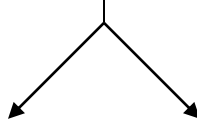
HUD-Certified LBP Visual Assessor Online Training

<http://www.hud.gov/offices/lead/training/visualassessment/h00101.htm>

Emergency Solutions Grant



Prevention Assistance and Rapid Re-Housing Assistance



Housing Relocation & Stabilization Services

- 1) Financial Assistance Costs
 - Rental application fees
 - Security deposits
 - Last month's rent
 - Utility deposits
 - Utility payments
 - Moving costs
- 2) Services Costs
 - Housing search & placement
 - Housing stability case management
 - Mediation and Legal Services
 - Credit repair, budgeting, money management

Short & Medium Rental Assistance

- 1) Short-term rent: 1-3 months
- 2) Medium-term rent: 4-24 months
- 3) Rental arrears of a one-time payment for up to 6 months of rent in arrears, including any late fees on those arrears
- 4) Rental assistance may be tenant-based or project-based